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TUESDAY, MARCH 9, 1954

THE JERUSALEM POST

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Marginal Column

By ZEEV LAQUEUR

BY its own admission there exist at the present moment no less than five major deviations and several minor ones in the French Communist party, "rightwing opportunism," "leftwing sectarianism," "bourgeois nationalism," "praticisme d'organisation" and "economisme étriqué." Duclos and Fajon have been accused of opportunism, Lecoeur and Billoux have been charged with sectarianism, Marty and Tillon are police spies — and "Humanité" sells now less than half of what it did in 1948 — not to mention 1945. Were it not for the E.D.C. controversy and the new Popular Front reaching from the extreme right etc such "Munichois" as Daladier to the "partisans of peace," the position of the party would be precarious indeed. But the vote of millions of Frenchmen for the Communists has always been more in the nature of a protest — too frequently justified — against the existing order of things, stagnation, "immobilisme," than a conscious expression for a definite programme. And it would therefore seem that the present fight for the party leadership will probably not greatly raise the influence of the party.

■

THE struggle between Duclos and Lecoeur is, as practically all such contests nowadays are, an old-fashioned fight for power. Their mutual ideological recriminations must not be taken at their face value. For several years, Auguste Lecoeur had been the coming man, the successor of Thorez, the crown prince. His political career began as one of Marty's aides in the Spanish civil war. Later he became provincial organizer in the Pas-de-Calais region, and at the twelfth party congress in 1950 he was made a member of the three-man party secretariat, which is its highest authority. At the party conventions he appeared as the proponent of the youth: "We have to bring younger forces into the leadership, we are much too cautious in promoting the younger generation. We have to remember that Thorez was a member of the Politburo at 25, and Benoit Frachon at 30! There is a distinct danger that the party leadership will grow too old. The young generation of the fifties has political experience and knowledge which the generation of Thorez and Frachon could not possess." Some people may not have liked this.

■

BUT the real conflict with Duclos, acting secretary general during the absence of Thorez (for almost four years now) came in May and June 1952 at the time of the unsuccessful demonstrations against General Ridgway, and the subsequent arrest of Duclos (with doves and diary). Lecoeur openly accused Duclos of "opportunism" and declared that the "French bourgeoisie is now bleeding from many wounds; one has to strike at it again and again and not give it any rest." During 1952 Duclos was on the eclipse and Lecoeur even had the party history rewritten for himself; it was he who had organized the big Pas-de-Calais strike of June 1941, which hitherto had been attributed to Thorez — who was at that time in Moscow (a remarkable case of remote control).

■

BY now Duclos appears to have been sufficiently rallied and strikes back: M. Lecoeur has been guilty of an "adventurist policy," "opportunist conceptions" and what else. "When I use a word, Humpty Dumpty said in a rather scornful tone, it means just what I choose it to mean — neither more nor less; the question is which is to be master, that's all." It seems fairly obvious by now that M. Duclos has emerged master and he can choose the words just as he likes.

■

THE suicide of Rene Camphin, a French Communist deputy, was reported on Saturday, the day of the Duclos attack on Lecoeur. Now it so happens that Camphin also hails from the Pas-de-Calais region, and was Lecoeur's close collaborator for many years. In September 1939, for instance, both were arrested and brought to trial for having published a leaflet commenting on the Soviet-German non-aggression pact ("A great victory of peace"). Chances are that this suicide will be regarded as a most remarkable coincidence.

■

THE French Communists, nevertheless, need not worry unduly. A left-wing government cannot be established without them and they have not much to fear from a right-wing coalition. Even some of General de Gaulle's aides who were so very harsh about the "separatists" until recently, now compete with each other in appearing with Communist representatives in meetings against West European unity. In view of the internal dissension among the rest (which reached fantastic proportions at a recent by-election near Paris) the Communists can well afford another shake-up in their leadership.

Jerusalem, March 9.

France, Vietnam Open Talks on Independence

PARIS, Monday (Reuter). — Talks aimed at giving Vietnam, biggest of the three Indo-China states, complete independence of France opened here today with both sides determined on success before the Geneva Far East conference begins on April 26.

Vietnamese Prime Minister Prince Buu Loc, leader of the Vietnamese delegation, said that complete independence and a durable association with France, the twin themes of his Government's policy—could hasten the return of peace to Indo-China.

The war in Indo-China was being fought for the cause of liberty, he said. To remain faithful to that cause his delegation was convinced that "liberty should govern the relationships between our two countries."

In reply, French Prime Minister Joseph Laniel said the object of the negotiations was to ensure the growth of moral and material strength between France and Vietnam. It was in peace that union would bear its richest fruit. France and Vietnam would "work together to create a fraternal community," he added.

Elections Demanded

The standing of Buu Loc's Government was seriously harmed a week ago when anti-Communist nationalists called on Bao Dai, the head of state, to demand general elections. Bao Dai is expected to reject this demand on the grounds that it is difficult to conduct general elections during a war, but some quarters believe that he would agree to the formation of a consultative assembly with nominated members to advise the Government.

The French National Assembly is expected to wind up a debate on Indo-China tomorrow with a motion approving the Government's decision to seek an end to the eight-year-old Indo-China war at the Geneva conference. Only Socialists and Communists are likely to oppose the motion deferring direct negotiations with Ho Chi Minh, leader of the Vietminh, before the Geneva talks begin.

Commando Swoop

The talks, attended by Vice-Premier Paul Reynaud, Foreign Minister Georges Bidault and principal Vietnamese Cabinet Ministers, will be resumed later today.

Meanwhile, Vietminh commandos have swooped twice in the last three days on the main French air bases in the Red River delta of northern Indo-China and claim to have wrecked 78 French aircraft.

The French have not given details of the damage but a High Command communique tonight said that at Haiphong "about six aircraft" were damaged. About 10 planes are admitted to have been damaged at the Hanoi air base of Gialam on Thursday.

Peking Will Demand Indo-China 'Freedom'

LONDON, Monday (UP). — The Chinese Government's official newspaper, the Peking "People's Daily," hinted today that Mao Tse-tung's Government will demand Indo-China's "independence and freedom" as the price of ending the eight-year-old war there.

In an editorial discussing the forthcoming Geneva peace conference, the paper said French official opposition to "independence and freedom" will "handicap the peaceful solution of the Indo-China issue."

The "People's Daily" published a long editorial paralleling the Berlin conference report of Soviet Foreign Minister V. M. Molotov issued in Moscow last Thursday. The editorial was broadcast by Peking Radio and monitored here.

It was the first authoritative comment from China on the issues at Geneva since the Communist regime last week accepted Russia's invitation to attend the Far East conference beginning next month.

The editorial condemned "U.S. intervention" in the Indo-Chinese war and in one paragraph linked America's aid to the French forces there and the U.S.-backed European Defence Community.

Kenya Court Told of British Army Captain's Cruelty

NAIROBI, Monday. — A 18-year-old Somali soldier told a general court martial here today that he cut off the ear of a Mau Mau suspect and made a hole in the ear of another with a bayonet when ordered to do so by his company commander, Captain Gerald Griffiths.

Capt. Griffiths, 42, pleaded not guilty to charges of causing grievous bodily harm to natives and of disgraceful conduct of a cruel kind.

The private, Ali Segat, was rushed here to give evidence.

The court martial charges allege Capt. Griffiths ordered his native troops to threaten to cut off an ear of one Mau Mau and castrate him. The charges say the ear was cut off and the Mau Mau was given no medical aid.

He also is charged with allowing another Mau Mau to be led into the forest as a patrol guide with a wire pierced through his ear. *(Reuter, UP)*

Ike Lists World's Problems As Increased Wages, Higher Output

WASHINGTON, Monday (Reuter). — President Eisenhower today urged increased wages for the world's workers, higher productivity and greater output to improve living standards throughout the world.

He told Congress the industrial worker in Europe lagged far behind his American counterpart in what he could buy for the work he did.

"In Great Britain, for example, in 1953 one hour's wages bought about 60% of the food that an hour's wages bought in the U.S. In France it bought about 50%, in Germany 40% and in Italy 30%.

The individual share of the total value of goods and services produced by western Europe was less than $600 per head a year compared with more than $2,000 in America. The situation was much worse in Asia and the Near East.

But by careful planning, American support and efforts by the participating countries, there was every reason to believe the people of underdeveloped areas would lift themselves to much higher levels of economic well-being, the President said.

Reporting on operations of the Mutual Security Programme for the last six months of 1953, President Eisenhower said Western Europe in particular had made a steady advance. Several countries no longer needed American aid, in others aid would end shortly and in some there was a considerable reduction of aid.

Though some American aid programmes had decreased, he said, they had been expanded against Communist aggression in Indo-China, for the rebuilding of war-shattered Korea and in new agreements for bases with Spain. He added that the U.S. would continue to shoulder the "heavy obligations" of world leadership "as long as the harsh threat to world peace exists."

Dulles Calls for Joint Hemisphere Action

CARACAS, Venezuela, Monday (UP). — U.S. Secretary of State John Foster Dulles today warned Latin American nations — and Guatemala in particular—against letting the "poisonous air" of Communist despotism turn freedom into slavery in the Western Hemisphere.

Mr. Dulles, addressing the 10th Inter-American Conference, spoke in support of a U.S. resolution for joint action by the American republics against the Communist menace.

Replying to Guatemalan Foreign Minister Guillermo Toriello, who had opposed any anti-Communist action and who had asked, "What is international Communism?" Mr. Dulles described international Communism as a "far-flung clandestine political organization" operated by Soviet Russia.

Definition Asked

Mr. Toriello, speaking after Mr. Dulles, again asked the conference for a clear definition of Communism.

Later, Foreign Minister Pierre Lizautud of Haiti said that "the problem of international Communist infiltration in this hemisphere is one of the most pressing."

He added that his delegation will back any measure aimed at strengthening the fight against Communism. But at the same time he recommended that these measures should be taken "within the framework of the national sovereignty of each of the American republics."

Labour Secretary Sees Rise in Unemployment

WASHINGTON, Monday (Reuter). — Secretary of Labour James Mitchell today asked Congress to increase his Department's budget by $46m. in the next fiscal year, mostly to take care of increased unemployment pay.

Mr. Mitchell told a Senate Appropriations Subcommittee he was working on the assumption that there would "continue to be high level economy" in the next fiscal year but that "there will be some increase in unemployment."

NAGIB BACK IN POWER

CAIRO, TUESDAY, 1 A.M. (REUTER).—GENERAL MOHAMMED NAGIB LAST NIGHT BECAME PREMIER AND CHAIRMAN OF THE REVOLUTION COUNCIL.

An official announcement said that General Nagib had been granted supreme power.

The announcement was made after a joint meeting of the Cabinet and the ruling military junta.

Nagib's demand for supreme power was one of the main reasons for the dispute in the Revolution Council which had led to the ousting of Nagib by Gamal Abdul Nasser, who displaced him as premier.

Only on Sunday was Nasser appointed Military Governor of Egypt with full powers. (No mention was made of Nasser's fate in dispatches from Cairo early this morning.)

Jamali Forms New Iraqi Cabinet

BAGHDAD, Monday (Reuter).—Dr. Fadil Jamali, who resigned as Prime Minister of Iraq last night, today formed a new Cabinet at the request of King Feisal.

The Foreign Minister in the new Cabinet is Musa Shahbander, Iraqi Ambassador in Washington. Ali Mumtaz Deftatu, former Finance Minister, takes on the post again, and Ahmed Mukhtar Baban, chief of the Royal Cabinet, is Deputy Prime Minister.

Other Cabinet members installed today are:

Defence—Gen. Hussain Makki Khamash; Health—Dr. Abdul Majid Kassab; Education—Jamil Urfali; Justice—Mohammed Ali Mahmoud; Social Affairs—Arkan Abbadi; Interior—Said Kazzaz; Economics—Ali Heidar Sulaiman; Development—Abdul Karim Uzri; Agriculture—Abdul Ghani Dalli; Communications and Works—Dr. Abdul Majid Abbas; Minister without Portfolio—Raphael Butti.

US Grant-in-Aid May Total $67.5m.

The U.S. Grant-in-Aid to Israel for the present fiscal year is expected to be in the vicinity of $67.5m., *The Jerusalem Post* learns.

Unlike the two previous years, when the grants were set at $63.5m. and $70.3m., this year's grant was not earmarked in advance. A total sum of about $135m. was set for Israel and the Arab states.

To date, this country has received $39.37m., in two instalments of $26.25 and $13.12m. At the time of the overall Middle East allocation, Washington reports stated that the aid to Israel would be "the same amount as in the previous two years," and half the Middle East total.

Later, at the time of the special grant to Iran to bolster the new Government of General Zahedi, assurances were given by responsible sources that this grant would not affect Israel. Both prior and subsequent to this, Washington and New York reports said that Israel was working on the assumption of receipt of $67.5m.

The sum earmarked in next year's Development Budget for the Grant-in-Aid Counterpart Fund is IL.80m.

New British Colonial Problem in Honduras

LONDON, Monday (Reuter). — Britain today faced a new colonial problem following a surprise request by the Governor of British Honduras for a political probe of the Central American colony only six weeks before a general election is due to be held there.

The British in the colony fear that the elections will result in a situation similar to that in British Guiana, where left-wingers took power and allegedly attempted to set up a Communist state.

The only fully organised political party in British Honduras is the People's United Party, in the past it has shown sympathy with Guatemala, which for many years has been trying to wrest the colony from Britain.

Truman: 'Not an Eyeful' Of Communists in US

BOSTON, Monday (UP). — Former President Harry S. Truman said today "there aren't an eyeful of Communists in the whole country and I'm not afraid of them."

Mr. Truman dropped his "non-political" role briefly at a press conference preceding a luncheon speech in connection with his campaign to raise $1.75m. for a library to house his state papers.

The former President steered clear of the fight in the Republican Party over questioning of Brig. Gen. Ralph Zwicker by Senator Joseph McCarthy. "It never pays for a man to get into a family fight. He usually unites the family against him," Mr. Truman said.

Sharett Warns Against Arming Of Iraq; Queries Value of Guarantees

Clash of Views On Farm Policy

By SRAYA SHAPIRO

The clash of ideals that had set the Yishuv in turmoil forty years ago echoed in a phantom revival in the somewhat listless House yesterday when Mr. E. Rimalt (General Zionist) stressed the need for large-scale farms, Governmental or private, to solve the problem of agriculture. "Let us not be afraid of some *kulaks* in farming, if several hundred husbandmen get work, for the newcomer may thus learn to love the land."

The failure to attract a large enough number of newcomers to take up farming was due, Mr. Rimalt said, to the fact that the simple-minded immigrant, unaccustomed to theoretical thinking, had been invited to join a kibbutz or a moshav — a form of settlement which, as a start, required a high social standard.

The idea is not original, for opponents of collective farming had already voiced it on several occasions. One would expect to hear it from a Mr. Arlav, who served as secretary-general of the Farmers Federation for many years; or from an Ezra Ichilev, himself a farmer and farmer's son. Coming from a teacher, the idea had caused the Labour members to move uneasily in their seats.

Zionist Needs

The rejoinder which came from Mr. Kadish Luz (Mapai) and Mr. Michael Chazani (Hapoel Hamizrahi) showed amazement as well as deep concern. The ideas for which Labour had fought were never judged according to their own standards solely, Mr. Luz said, but by their vital Zionist and national values. The controversy on money, taxes or agriculture stems from differences of social aim. Whose stand is better? — "That which corresponds better to the needs of the Nation and the State."

The story of the agricultural settlement of Palestine, Mr. Chazani said, was proof that only farmers with a social and national ideal in their hearts had performed the feat of regeneration of the Jewish Nation. "Equality in land tenure is a basic principle which is the pride of the Zionist Movement."

Planning Industry

Mr. Luz is a member of Degania collective settlement, and Mr. Chazani is member of the Hapoel Hamizrahi Agricultural department. Both suggested that the planning of industry be attempted, as agriculture was.

The occasion for the discussion was the budget debate on "Economic" Ministries, namely Ministries of Finance, Development, Agriculture and Commerce and Industry. Only Mr. Eshkol and Mr. Naphtali chose to introduce their budgets. Mr. I. Bar Yehuda (Mapam) remarked that it was irregular for Ministers not to introduce the estimates of their Ministries, but deputy-speaker Y. Klebanov said the House Committee had not ruled in that respect. Mr. Eshkol announced that an Organization and Methods Committee had been created in the Ministry of Finance to advise on better planning of work. He also said that the Mint had started minting coins, and that he had heard, with his own ears, how the coins clinked.

Eden Says Int'l Talks On Suez Shipping Premature

LONDON, Monday (Reuter). — Foreign Secretary Anthony Eden said today he would be glad to have a conference of powers concerned with the passage of shipping through the Suez Canal if he thought he could get a better result than through the United Nations.

But this matter was now before the Security Council, he said, and the Government could not anticipate the Council's ruling.

Mr. Eden, who was replying to questions in the Commons, said he hoped some finding would be given within the next week or so.

Recalls Pakistan's Stand on Israel

Arms given to Iraq "will always be trained inwards — inside the country and inside the region, against Israel and in expansionist campaigns against other Arab countries," and would never be used for defence against the outside forces for which they were intended, Mr. Sharett declared in the Knesset last night.

He was summing up the Knesset debate on the Foreign Ministry's budget, speaking in his capacity of Foreign Minister.

It was doubtful whether a guarantee by Iraq not to use these arms against Israel would be worth the paper it was written on, for despite its best endeavours, the U.S. had not been able to extricate the three Israel travellers who had been kidnapped by the Iraqi authorities when the British plane in which they were travelling made an emergency landing in Baghdad. The supply of arms to Iraq would be considered "seriously detrimental to our country," Mr. Sharett said.

The impending mutual defence pact between Turkey and Pakistan was also an occasion for serious stocktaking in Israel, as Pakistan had reaffirmed her loyalty to the cause of Moslems in "Palestine," among other countries. It was gratifying that Turkey had immediately dissociated herself completely from the implied threat, Mr. Sharett said.

Earlier in the same session, Mr. Zalman Aranne made his first speech as Minister without Portfolio.

The forging of a united democracy of the new peoples of Israel could not be brought about from the outside, he warned, and it was not enough to have schools for the children of immigrants in which they could learn to be good citizens.

If the country sought democracy it must also build a citizenship institution for adult immigrants and invite gifted and able newcomers to obtain training there to fit them for administrative responsibilities, Mr. Aranne declared.

Says Arab Hate Stems from '48

Jerusalem Post Knesset Reporter

In summing up the debate on the budget of the Prime Minister's Office in the Knesset yesterday afternoon, Mr. M. Sharett agreed that it was time to establish an adequate information service now that the State was approaching its seventh year.

He did not agree that the Industrial and Scientific Research Council was superfluous — its business was to direct practical research required by industry, while the existing institutions were occupied mainly with fundamental research. The Council did not in any sense attempt to replace existing institutions, but to coordinate their work.

Mr. Sharett

Discussing criticism of the apparent increase of the Foreign Ministry's budget, Mr. Sharett pointed out that of the additional IL.9m. appearing in the budget, more than IL.5.5m. was due solely to the fact that the IL.1.800 to the dollar rate of exchange had now been introduced for all foreign currency expenditure by the Ministry. Rather more than an additional IL.1m. was due to other factors beyond the Ministry's control, including fluctuations in foreign exchange rates and increases in the cost of living abroad and at home.

T.A. Liaison

There had been extra expenditure on the establishment of a liaison office for the foreign delegations in Tel Aviv, the re-establishment of the Israel delegation in Moscow, and the new Legation in Rangoon. Apart from that the volume of operations had not increased and there had been staff reductions.

It must also be considered that diplomatic relations were normally based on reciprocity. In any case, a country's foreign representatives were like frontier defences: it was not possible to state at any moment where strength might suddenly be needed.

There was almost no budget for the training of Foreign Ministry staff. Some reductions of staff had been carried out during the past year, the remainder had a great quantity of work to deal with, and their numbers could not be cut down indefinitely.

The Prime Minister then turned to foreign affairs in general. Street posters had accused the Government of having missed an opportunity, Mr. Sharett said, but he believed that Israel had only avoided an unnecessary and perhaps fatal entanglement. As against the violent upheavals in the neighbouring countries Israel could pride itself on its stability.

In the Arab capitals one bubble of false fame and empty pretensions after another had burst while this country was maintaining a balanced and responsible attitude in both home and foreign affairs.

"We should do our best to expose regimes of boastful tyranny and inner weakness, and shatter the illusions to which they give rise, but I trust I express the feeling of the majority of this House if I say that we do not rejoice at the sight of this

(Continued on Page 5, — Col. 3)

Village Guards Beat Off Strong Attack

Guards of the village of Shomera, on the Lebanese border, on Sunday at 8 p.m. repulsed an attack in which automatic fire and grenades were used, the Army spokesman announced yesterday. No casualties were sustained by the guards or villagers.

Tracks of the attackers led to the Lebanese border, it was said.

An emergency meeting of the Mixed Armistice Commission has been demanded to discuss this aggression.

At a Local Commanders' meeting on the Jordan border near Kfar Saba yesterday, Israel traded a camel and a donkey for two mules. The mules were stolen from moshav Ein Vered last week, while the Jordanian animals had infiltrated into coastal grazing lands.

Police patrols aided by an airplane yesterday searched for three cows which were stolen by infiltrators during Sunday night from a cowshed in Safiria. The cows had not been recovered by last night.

A mule, valued at IL.800, was stolen by infiltrators on Sunday night from a moshav in the western Negev.

Greeks Knock Israel Out of World Cup

By AKIVA KALMAN

TEL AVIV, Monday. — A record soccer crowd of over 50,000 at the Ramat Gan stadium this afternoon saw Greece defeat Israel by two goals to none in the first game of the second leg of the World Soccer Cup.

In fine weather, the teams lined up before the rostrum seating Mr. P. Lavon, Minister of Defence, Mr. Andreanopolous, Mayor of Piraeus, who led the Greek delegation, the Mayors of Tel Aviv and Ramat Gan, Mr. Levanon and Mr. Krinitzi, and other notables.

The Greek defence completely bottled up Yehoshua Glazer, the Israel centre-forward, who, in November, 1952, had netted a hat-trick when Tel Aviv Selected defeated Athens Selected 5-0.

The visitors' defence was well on top throughout and their forwards active, giving Chodorov, in the Israel goal, a chance to show his prowess. The game was mediocre on the whole, with the Greeks always having the edge on their hosts.

Both defences held out in the first half and there was no score by the interval.

The Greeks started off with determined attacks in the se-

(Continued on Page 7, — Col. 1)

Aranne Puts Trust In Nation's Goodwill

"In the tests which are in store for the State of Israel because of her position, the nation will have to be possessed of the proper spirit," Mr. Zalman Aranne, the Minister without Portfolio, said at the close of the debate of the budgets of the Prime Minister's Office and the Ministry for Foreign Affairs in the Knesset yesterday. Nearly everyone in this country would be glad to volunteer to do something for the State; it was only necessary to put the latent spirit of public service to good use, Mr. Aranne said. This spirit could even be used to foster the willing payment of Income Tax, which was unpopular now here.

To channel the budding civic spirit into creative energy, a wide programme of public information should be built up, Mr. Aranne went on. One such idea would be to establish a Civic Institute. Ex-soldiers' Welfare Committees were urgently needed among new immigrants.

Turning to foreign policy, Mr. Aranne saw four main issues: (1) The planning of the State must proceed as if there were no threat of a third World War; (2) the stand on Jerusalem, refugees, frontiers could not undergo any slighest change; (3) political formulas should be approached with caution: — the main thing was the well-being and security of the State of Israel; and (4) alertness and action or inaction as the occasion warranted.

NEW U.S. NAVAL CHIEF

WASHINGTON, Monday (Reuter). — The White House today announced the appointment of Vice-Admiral John Cassady as Commander-in-Chief of American naval forces in the Eastern Atlantic and the Mediterranean.

Vice-Admiral Thomas Combs is to command the Sixth Fleet, succeeding Admiral Cassady.

ECONOMIC PAGE

Beginning with this issue, Page Four on Tuesday will be an Economic Page, carrying news, reviews and comment from the economic and financial fronts, Israel and abroad.

Turn to Page Four for the first page in the series.

SAS Passes Lydda After Saudi Arab Threat

TEL AVIV, Monday. — For the second consecutive week, the SAS plane from the Far East due here this morning, passed Lydda Airport and landed at Nicosia. Seventeen passengers bound for Israel were brought here later in the day by a special Cyprus Airways plane.

While SAS spokesmen here refused to comment, saying merely that they had spoken to SAS headquarters in Stockholm by 'phone today and hoped to have full information tomorrow, Itim quoted "reliable sources" at Lydda Airport as saying that the Scandinavian airline has for the moment stopped its Israel landings.

This action, it is rumoured, results from threats by the Saudi Arabian authorities to shoot at any plane which passes over their territory on its way to or from Israel.

First reports at Lydda had stated that the aircraft had flown directly to Nicosia as there were Arab passengers aboard who feared detention if they landed in Israel in retaliation for the capture of three Israel passengers at Baghdad.

SAS is at present the only airline flying a regular service between Israel and countries to the East. A spokesman told *The Jerusalem Post* today that the airline had planned to increase its flights through Israel in April to twice a week.

AARON ROSENFELD
AGENT OF
M/S OSLOFJORD
Extends A Hearty Welcome
To The Tourists Visiting
Israel Today

SHIP IT BY KLM
ROYAL DUTCH AIRLINES

1934 1954
MIGDAL
INSURANCE COMPANY LTD.
★
Progress in 1953
NEW LIFE ASSURANCES
EFFECTED
IL. 4,000,000
★
20 YEARS
INSURANCE SERVICE in ISRAEL

DUBEK 10
HIGHER FLAVOUR THROUGH MACEDONIAN TOBACCO

Social & Personal

The President yesterday received Mrs. Golda Myerson, Minister of Labour, and Mr. Pinhas Sapir, Director General of the Ministry of Finance.

The President and Mrs. Ben-Zvi yesterday entertained to luncheon Miss Sophie Udin, Head of the State Archives, Mr. Haim Shoter, editor of "Davar," and two members of his staff, Mr. David Zakai and Mr. Michael Assaf, and their ladies.

•

Prince George and Princess Anne of Denmark left for France in the s.s. Negbah on Sunday.

•

Dr. Michael Simon, Chief of Protocol, returned by El Al from the U.S. yesterday, after a six-week tour on behalf of the Independence Bond drive. Also aboard the plane was Mrs. Edwin Samuel, returning from a four-month visit on behalf of the Histadrut Campaign.

•

The Jerusalem Branch of the Israel Association of University Women gave a reception last week for Dr. Anne Foner Hyman, wife of the Israel Minister to South Africa. The reception was held at the home of Mrs. J Braude.

•

Dr. Karl T. Compton, Chairman of the Corporation of Massachusetts Institute of Technology, and Mrs. Compton visited the Weizmann Institute of Science at Rehovot.

•

Mr. J. Wertheim, representative of the Dutch Museums, will speak in English, on Dutch Painting at the Bezalel National Museum at 8:30 this evening.

•

Sr. Carlos Madanes, an Argentine industrialist, arrived by TWA yesterday on a business visit in connection with investments from South America.

•

Mr. I. Melamede Managing Director of I.C.I. (Israel) Ltd., has left for the Continent ... U.K., on a business visit.

Waiting for Potash

HAIFA, Monday. — The s.s Palestine Prince arrived here yesterday to take about 2,000 tons of potash to Britain.

The ship is waiting for supplies to reach the port. At present there are only about 200 tons available for loading.

The s.s. Enermont took 22 tons of wine, 21 tons of marble blocks, 2.5 tons of shoes, and ten cases of books and samples of ornamental metal goods to the U.S. today.

What is to go

JERUSALEM

★ Lecture: —
"The X-ray." Dr. Y. Basow. For those taking the First-Aid course of Magen David Adom. Russian Compound. 7.30.

★ Exhibitions: —
100 Years of Dutch Painting — 1850-1950. Exhibit of the Month: Decorative cloth for ritual washing utensils, of the Cohanim. Rezale National Museum. 9-1, 3-9 p.m.

★ Libraries: —
American Library and Reading Room, U.S. Consulate, Mamillah Rd. Entrance free, 9-1, 3-6.

★ Tour: —
Hebrew University conducted tour, new administration building, King George Ave., opposite Terra Sancta, 10 a.m.

★ Theatres: —
"The Trouble Makers." Chamber Theatre, Edison Hall, 9 p.m.

TEL AVIV

★ Lectures: —
"Higher Education in Israel." Dr. M. Avidor, Deputy Director General of the Ministry of Education; auspices Tel Aviv Association of University Women. Y.O.A. House. 8.30 p.m.

★ Exhibitions: —
Weizmann Exhibit, Y.O.A. House 4-9 p.m.
Exhibition of drawings and paintings by Yehudith Orsa, young kibbutz artist, at Mikra Studio, 9-1, 4-7 p.m.
Exhibition of "Tel Aviv-Jaffa in drawing" Artists' House, 9 Rehov Alharizi, 10-1, 4-7 p.m.

★ Theatre: —
"Pygmalion" Chamber Theatre Mograbi 8 p.m.

★ Entertainments: —
Concert at Noga Cafe, from 8 p.m. to 12 midnight.
Dance and dine at the Cockatil Bar.

HAIFA

★ Symposium: —
Tuberculosis Problems, sponsored by Anti-Tuberculosis League, Beit Marcelo. 4 p.m.

★ Lecture: —
Mrs. Iris Levy "Impressions from my European trip"—WIZO Club, 6 Reh. Machsett. 4 p.m.

★ Exhibition: —
Oil paintings, drawings and gouaches by Sima Shenim and wooden masks by Miriam Abisaid-Hyman—The "Tractyn" Art Gallery, 4 Rehov Rothschild opp. Zion Hotel.—10-1, 4-7 (exhibition closing 12/3).
Opening of the Exhibition of Painting and Sculpture in Ihud Ha'Evu'ot Ve'ha'Kibbutzim" — by the Mayor, Mr. Abba Khoushy and J. Israeli.—Municipal Museum—Town Hall, 5 p.m.

TIBERIAS

★ Theatre: —
Habimah, "The Eternal Jew," 8.30 p.m. (on behalf of Talem for ma'basel).

ANYA

★ Theatre: —
Habimah, "Escapade," 8 p.m.

THE HEBREW NATIONAL
OPERA
TEL AVIV: HABIMAH
Tonight, March 9, at 8.15 p.m.
TOSCA
Opera in 3 acts by Puccini with
Edith della Pergola
(as Tosca)
Guest Singer of the STAATSOPER, Vienna.
Tickets: TEL AVIV: Bailey, 67 Allenby Tel. 3121; Kassel, 61 Allenby Tel. 3166; "Bamah" 19 Nachlat Binyamin and at the Habimah Box Office.
HAIFA: Gutman's Office, HERZLIYA: Pitchon

LAW REPORTS

THE JERUSALEM POST

March 9, 1954.

In the Supreme Court sitting as a Court of Criminal Appeal
Before: Justices Cheshin, Goitein, Bussman.
A.B., the Appellant v. The Attorney General, the Respondent.
(Cr. A. 227/53)

ESPIONAGE SENTENCE CONFIRMED

The Supreme Court dismissed an appeal against the judgment of the District Court, Haifa, dated July 7, 1953 (202/53).

The Appellant was convicted of an offence against the State according to section 3 (1) (b) of the Official Secrets Ordinance (1932) and sentenced to five years in prison by District Judge Gubernik.

This section states that "if any person for any purpose prejudicial to the safety or interests of the State . . . makes any sketch, plan, model or note which is calculated to be or might be or is intended to be directly or indirectly useful to an enemy . . .

The Appellant was accused of writing a note sometime between September, 1951 and February, 1952, in which he listed the names and the duties of several officers in the Israel Defence Forces. The note ended with the words "and he was the man who received this information from me for them."

The note was written in Arabic on a small scrap of paper and the last words were cramped together at the very bottom of the paper.

The accused, who admitted that he had written the note, claimed before the District Court that the last words were not "from me for them" but "from Salim."

Both prosecution and defence brought expert witnesses to decipher the crucial words. The District Court relied on the testimony of the Prosecution witness and decided that the accused was the man from whom information was received.

Mr. A. Levitzky, who appeared for the Appellant, invited the Supreme Court to examine the document and decide for itself whether the words in dispute were to be deciphered to the accused's advantage or disadvantage.

He claimed, too, that it had not been conclusively proved that the note was made for a purpose prejudicial to the safety or interests of the State, and that since this was an essential element of the law, there was no offence unless this purpose was proved beyond all reasonable doubt.

The Judgment

Justice Sussman, in delivering the judgment of the Court of Appeal, disagreed with Mr. Levitzky that the Court was entitled to examine the document and express an opinion on it. He pointed out that this might have been permissible if the Court of first instance had based its decision on its own examination and interpretation of the document. But this had not been the case. The document was not written in the language of the Judge and the crucial words had to be deciphered, not read. This required the services of expert witnesses on whose testimony the District Court Judge had based his conclusions.

He had decided to accept the expert opinion of the Prosecution witness, not because he questioned the veracity of the accused's witnesses, but because he considered the Prosecution witness to be more capable of giving an expert opinion since his examination of the document appeared to be more scientific and exact.

In such circumstances, the Appeal Court must rely on the decision of the Judge who examined the witnesses.

As to Mr. Levitzky's claim that the element of *mens rea* had not been proved beyond reasonable doubt, here, too, the Appeal Court was of a different opinion, being convinced that Judge Gubernik had taken this requirement into account.

The Court felt that, in the light of the contents of the document, the District Court had been fully justified in concluding that it was made for a purpose prejudicial to the safety or interests of the State.

The appeal was, therefore, dismissed.

Judgment given on March 4, 1954.

For the Appellant: Mr. A. Levitzky and Mr. N. Hawari.
For the Respondent: Assistant District Attorneys U. Gorney and E. Kahan.

3 University Women Win Intern'l Grants

The chairman of the Committee on International Relations of the Israel Association of University Women was recently informed by the American Association of University Women that no less than three international grants have been awarded for 1954-55 to Israel candidates and that a fourth has been designated first alternate.

The successful candidates are: Dr. Eva Brandt-Keskiem, of Haifa, ophtalmologist; Dr. Leah Block-Frankenthal, of Jerusalem, cancer research worker; Dr. Ilona Fuerst, of Jerusalem, physical-therapist.

The first alternate is Mrs. Dina Feitelson, Jerusalem, educational research worker.

The international grant programme of the American Association of University Women, founded in 1945, offers women of other countries a limited number of grants for study in the U.S.

There is no age limit for these grants, but preference is given to candidates who wish to do post-graduate work in advanced research in their professional field.

No fixed amount is named in these grants. Funds are provided to cover essential expenses during the period of study as well as the necessary travel expenses.

Planning for Schools Of Pharmacy, Dentistry

The Hebrew University-Hadassah Medical School has set up Planning Committees for the Schools of Pharmacy and Dentistry.

These two Schools were opened last autumn, and their first 25 students have already commenced their studies together with the medical students. The Planning Committees are to deal with the planning of the buildings for the two Schools, the structure of the various departments and their specific teaching problems.

The Dental School Committee is composed of Drs. H. Braunschweiger, S. Lewin-Epstein, I. Michmann, H. Milwidsky, B. Neumann, I. Seifert, A. Sulke, H. Ungar, M. Weinreb, J. Yardeni.

Dr. Lewin-Epstein, one of the initiators of the School, will be chairman of the committee.

The Planning Committee for the School of Pharmacy is composed of Mr. A. M. Abarbanel, Drs. G. Friedlaender, J. Kobelman, J. Kolberg, and H. Mayer, Mr. A. Seinfeld, Dr. Y. Yakar, Dr. D. Zaltschik and Mr. Z. Ziev.

Dr. I. Scisky has been appointed Executive Secretary of the Dental School and Mr. A. Kobina Executive Secretary of the School of Pharmacy.

93 Bright Boys Win Technion Scholarships

HAIFA, Monday. — As the first step in the Scholarship and Loan programme of the present academic year, the Technion recently announced the award of 93 scholarships among outstanding students in all faculties and departments. The total value of the scholarships is more than IL.12,000.

Within the next few weeks announcement will be made regarding the distribution of the IL.80,000 loan fund established by the Technion for assistance to needy students. An additional 85 scholarships are also available under the terms of assistance from the Academic Military Reserve, the Jewish Agency, the Ministry of Defence, the Israel Defence Army, and others.

SWEDISH CATTLE EXPERT

Professor Niels Lagerlof, Swedish expert on cattle fertility, who has recently concluded an advisory mission in India sponsored by the FAO, is now investigating cattle breeding problems in Israel. He is accompanied by his assistants, Dr. Lundgern and Dr. Falsan.

ON THE AIR

JERUSALEM: 697 M.; HAIFA: 360 M.; TEL AVIV: 202, 48.9 & 202 M.

FIRST PROGRAMME

News: Hebrew: 7 a.m., 1.30, 6.15, 8.50 & 11.00 p.m. Arabic Programme (including News): 8 a.m. & 6.50 p.m.
6.30 a.m. Service. 6.35 Exercises. 6.45 Musical Clock (R). 7.15 Melodies (R). 8.30 Close Down.
11.00 N. Music at Noon (R). 12.30 Housewives' Corner. 13.00 Light Music (R). 3.45 Break for Music (R). 3.00 Close Down.
4.00 p.m. Programme for Hospitals. 4.45 Music (R). 5.30 Agricultural Programme. 5.50 Language Corner. 6.05 Children's Hour. 7.00 "Over Jordan" 7.30 Sports. 7.45 Noah's Ark. 8.45 Newsreel. 9.00 Kol Yisrael Orchestra. Conductor: George Singer. Soloist: Hilyahu Rudiakov: "Miriam" (Wohl); Piano Concerto in A minor (Schumann); Symphony No.38 (Mozart). 10.30 Request Programme. 11.05 Close Down.

SECOND PROGRAMME

499, 220, 214, 48.9 M.
English News: 1.05 p.m., 10.15 p.m.
4.00 p.m. Music (R). 5.00 Programme for Youngsters. 5.30 Literature Corner. 6.00 Programme for Housewives. 6.15 Close Down.

IMMIGRANTS' HOUR (32.2, 34.9 & 469 M.): French: 6.30 p.m. Ladino: 7.00 p.m. Yiddish: 7.30 p.m.
KOL ZION LAGOLA (32.3 M.): 11.15 News. 11.25 Names in the News. 11.30 "Youth Aliyah."
ARMY PROGRAMME (44.6, 216, 285 & 220 M.): 6.50 Opening. 6.55 "Bow and Arrow." 7.00 Galei Tahal Band. 7.20 Today's Events. 7.30 Light Music (R). 7.45 Noah's Ark. 8.00 News. 8.45 Sketch. 9.00 Dance Music. 10.00 Close Down.
B.B.C. HEBREW BROADCASTS (34.60; 34.43; 30.13; 30.96 M.): 6.30-7.00 p.m. News "This England....." Arts Chronicle.

An Evening of Modern Dance
Dances and Choreography
Katya Budmer (Delakova)
Musical Direction
Micha Budmer (Buchbois)
Y.M.C.A. Hall, Jerusalem
Tomorrow, March 10, 8.30 p.m.

Dutch Paintings
(including five by Van Gogh)
BEZALEL MUSEUM
Open weekdays until 9 p.m.

J'lem Benefits From Productivity Study

Jerusalem Post Reporter

Method improvement and reorganization saving hundreds of man-hours are being introduced for the first time into Jerusalem factories and offices through the Israel Institute of Productivity which began training activities in the Capital two months ago.

The Tel Aviv and Haifa branches of the Institute, under the Ministry of Labour, have instructed 500 managers and foremen in the past 18 months.

The Jerusalem Municipality has sent three key men to the "time and motion study" course run by the Institute. They are among 17 foremen and workers who have completed a two-week seminar in the best utilisation of men and materials and are now applying the principles to their own concerns.

The head foreman in the City Engineer's department has devised a time-saving method for the mixing of asphalt. The Public Works Department should spend IL.1,000 a year less on tiling roofs, through a system tried out in another project.

Evening classes have been arranged for 26 industrial managers and senior administrators, on subjects ranging from incentive systems to cost accounting. Theory is being tested in five projects including an administrative overhaul of the City Water Department.

A gift of IL.1,500 was recently presented by the management of the Haifa Electric Wire Company to the Productivity Institute for helping to increase its production by 25%. This follows a three-month survey by the Institute in three enterprises, the Elite Chocolate Company of Ramat Gan, the Haogen Rubber Company and the Haifa Electric Wire Company.

Escalators in Tombs Of the Pharaohs

Jerusalem Post Correspondent

AMSTERDAM, Dec. 7. — Escalators are to be built in several tombs of the ancient Egyptian pharaohs, including that of Tutenkhamon, to permit tourists to descend comfortably and "without undue effort," it is learned here.

Egypt also plans to build several second-class hotels for tourists who cannot afford more luxurious accommodation.

Health Ministry Decentralized

A reorganization of the Health Ministry, giving more responsibility to district offices and less departmentalisation in the main office, has been approved by the Minister, Mr. Joseph Serlin, and awaits sanction by the Civil Service Commission, a Ministry spokesman has confirmed.

Mr. Serlin has been aiming at decentralization ever since he took office. His eventual target is to put the district offices in charge of all hospitals and other health units in their area. A single regional director will coordinate local activity, and sit on the Ministry directorate.

The Ministry itself will consist of two divisions, one for administration and the other for medical services.

The new system, which has been evolving over several months, is partly in operation at the present time. It will mean a reshuffle, but no change in numbers of staff.

Yesterday's Press:

America's Delusion On Arab Stability

Recent events in the Arab countries have apparently stirred up in Washington the new illusion that they may be relied on to join the Pakistan-Turkey axis, says "Davar" (Histadrut) in its leading article. Guarantees given by the U.S. that the "symbolic arms" will not be used against Israel are altogether insufficient. Even if the present Arab rulers are ready to make such a promise they may be supplanted tomorrow; and at any rate, if it comes to war, the whole Middle East would probably be involved in it by the time the Western powers will reach agreement between them as to the formulation of the statement denouncing the aggressor.

The rest of the Press comments in a similar vein. "Ha-tzofe" (World Mizrahi Union) says that arms supplied to the Arab League governments will only add fuel to a fire. The League states will crumble like so much dust in face of invasion by a big power. The "symbolic" arms shipments received by them are accepted for no other purpose than the hope to use them against Israel. Our many warnings have apparently been of no avail and we should make a new effort to explain the state of affairs. "Haboker" (General Zionist) makes the same point, and adds that the Syrian Prime Minister has already announced that his government will not hesitate to use arms in case Israel continues development projects inside its territory.

Joining India

"Al Hamishmar" (Mapam) demands that Israel coordinate her efforts with India in her struggle against arms supplies to the Middle East. India is a far larger and more populous country and has less to fear from arms shipments than Israel.

"Ha'aretz" believes that the Cairo junta decision to return to "dictatorial parliamentarism" shows how weak the rulers feel following the downfall of the Shishakly regime and the crisis in the ranks of the young officers.

"Kol Ha'am" (Communist) complains about the fact that the news agencies have noted that Stalin was given much less space on the first anniversary of his death than had been given to Lenin at the time. The paper says that such an observation is wholly irrelevant: "Nobody will believe that the scale of values in Soviet ideology is reflected in the space allocated to the various leaders."

Suez Blockade

"Zmanim" (Progressive) notes that appeasement goes on. The paper thinks the proposed draft resolution on Suez in the Security Council unsatisfactory, and says that rather than support it we should introduce another, sharper and more pointed. "Herut" says that the members of the Security Council are sure that Israel will not do anything about the Egyptian blockade, and in these circumstances they do not wish to irritate Cairo. The paper ridicules the Israel statements about "preparedness and vigilance" and expresses its belief that the present government is leading the country to defeat after defeat.

COMEDY THEATRE
in Yiddish
★ MAX PERELMAN
★ GITA GALINA
TONIGHT, March 9, Jaffa, 2 performances at 6.45 and 9.15 p.m.:
"Motel Meir's Glikn"
Tomorrow, March 10, Tiberias, at 8.30 p.m.:
"Der Shlimasel"
Thursday, March 11, "Hay," Haifa, 9 p.m.:
"Der Shlimasel"
Friday, March 12, Kiryat Motzkin:
"Der Shlimasel"
Saturday March 13, New Hapoel Building, Tel Aviv, 2 performances at 6.45 and 9.15 p.m.:
"Der Shlimasel"

EMERGENCY PHARMACIES

JERUSALEM: Assuta, 19 King George, 4872. Many, Mahane Yehuda, 3048.
TEL AVIV: Tabatchnik, 17 Allenby, 4553. Fuller, 44 Beale, 22878. Hagalil, 80 Ben Yehuda, 25258. Krinkin, 10 Herzl, 8228. Hadassah, Hatikva Qr., 67684. Hyrca, 122 Hagdud Ha'ivri, 62886. JAFFA: Noga, near Noga cinema, 80886. RAMAT GAN Hersl, 54 Hersl. GIVATAYIM: Briut, 7 Syrkin.
HAIFA: Rapaport, 39 Herzl, 3586. Hakohav, 28 Wadi Salib. KIRYAT MOTZKIN: Penfagon.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. M. Schumert, 19 Ben Yehuda, 61474. Dr. Liebson, Rehov Strauss, 5126.
TEL AVIV: Dr. W. Silberbach, 89 Yehuda Halevi, 66319. Dr. M. Shaham, 1 Syrkin, 35843/ Dr. N. L. Sacher, 165 Dizengoff, 26380. JAFFA: Dr. Weinberg, 4 Rehov 66, Dr. Alcalai, 65 Rehov 4.
HAIFA: Dr. S. Shilmover, 13 Nordau, 6374. Dr. A. Rosenbaum, 31 Moria, 3216. Dr. L. Srilasi, 105 Jaffa, 6444. Dr. N. Landau, 4 Mahanayim, 6822.

THE ISRAEL PHILHARMONIC ORCHESTRA
SUBSCRIPTION CONCERT No. 6
Conductor: WALTER SUSSKIND
Soloist: IDA HENDEL
TEL AVIV, Tonight, March 9, — Series "3"
HAIFA, Wed., March 10—Series "1"
Thurs., March 11—Series "2"

THE ISRAEL PHILHARMONIC ORCHESTRA
Only Violin Recital
Ida Hendel
AT THE PIANO:
MOSHE LUSTIG
Tickets obtainable: in Tel Aviv at the Orchestra's office, 54 Allenby Road, 11 a.m.-1 p.m., 4-6 p.m., and in Haifa, as from Wednesday, at: M. Ginzburg & Co., 26 Rehov Herzl.
TEL AVIV
Saturday, at 8.30 p.m., "OHEL SHEM" HALL.
HAIFA
Wednesday, March 17, at 9 p.m., "Armon" Theatre
PROGRAMME:
Sonata in G-Major—Brahms
Devil's Trifler — Tartini
La Folia — Corelli
A Russian dance from "Petrouchka"— Stravinsky
Melancholy — Albeniz
Legende
Tarantella — Wieniawsky

AT THE CINEMA

Rabbit Out of Bottle

The 1950 screen version of Mary Chase's 1944 Pulitzer Prize-winning fantastic farce-comedy "Harvey" (Studio, Jaffa) is decidedly the most delightful film adventure since "Arsenic and Old Lace." It concerns a gentleman given to liquor who meets up with an invisible "pooka," a white rabbit six feet one and one-half inches tall that accompanies the affably fuddled hero through the proceedings, even when his family has him consigned to a sanitarium. The delirious character study turned in by Jimmie Stewart is the most notable, ingenious, tipsy whipped victory of this wonderful actor in years.

O'Henry Tidbits

The successful formula of blending some of the great stories of world literature into a screenplay cycle is employed again in "O'Henry's Full House" (Orna, Jaffa). One story, starring Oscar Levant, was cut, but the remaining four, each introduced by John Steinbeck, are tidbits for the connoisseur.

Charles Laughton is the beloved bum who prefers the jail as his winter quarters, Richard Widmark with his devilish laughter is the tough guy who has unfinished business with a detective who owes him a thousand dollars, Jean Peters and Anne Baxter are the two sisters, the younger of whom catches pneumonia and wants to die with the last leaf of the shrub before her window. Jeanne Crain sacrifices her beautiful hair to buy a Christmas present for her husband (Farley Granger).

Every screenplay has its director. The atmosphere is poignant and the cast is splendid. Recommended.

FRANGO

Art and Life

"Moulin Rouge," John Huston's film, now in its fourth week at the Orah, Haifa, has both affirmative and negative aspects. The record of Toulouse-Lautrec's life is far from being historically exact, thereby detracting from the film's documentary value. Colette Marchand, who is fast obtaining an international reputation in ballet, is never seen dancing; on the other hand she is given the part of the woman who, despite every assistance, inevitably lands in the gutter; this was a role for a first-class actress, for which she is mis-cast.

Now the positive traits. The fine opening introduces most of the characters of the Moulin Rouge paintings; the theme is recapitulated in the imaginative ending. The colour — Toulouse-Lautrec's green predominates — is intelligently used. The performance of Jose Ferrer is magnificent. It may not be the real Toulouse-Lautrec, but it is a living being, driven to alcoholism by the consciousness of his deformity, preserving a cynical sympathy with the weaknesses of the world.

H.

Three Loves

M-G-M opened its Film Festival with the performance of "The Story of Three Loves" at the Ophir and Esther cinemas in Tel Aviv. I saw the film at the former where a "panoramic" screen had been installed, measuring 11 metres by five and a half, compared with the Ophir's old standard screen of six by four. "The Story of Three Loves" is a normal film, and the new screen did not prove high enough in relation to its width for the projection of an "old-fashioned" production, so that occasionally the heads of the figures or the printed translations were not fully in focus. The new screen, suitable for Cinemascope and 3-D projection, is apparently less so for standard pictures.

The film comprises three stories, loosely connected through the theme of love and through a number of the characters moving from one story to the next; the latter device, however, appears not sufficiently motivated and is treated in a rather superficial manner. Each story, therefore, should be considered as a separate unit. The first is the weakest and shortest one and its only interest is lent by Moira Shearer, who here discloses a new maturity, as a dancer as well as as a personality (to the music of Rachmaninoff's Paganini variations). James Mason lends no credibility to some sort of Diaghileff impersonation.

The second story, tenderly conceived by my old colleague Jan Lustig (now an old hand at the M-G-M stable) in collaboration with George Froeschel, tells the fairy tale of a ten-year-old boy who hates his French teacher — only to realize at 18, in the course of a dream sequence, that the "mademoiselle" actually represents his first love. The shortcomings of this tale lie in the fact that the dancer Leslie Caron appears rather out of place in a speaking part. Vincente Minelli is the director.

The last story, "Equilibrium," nicely musing on the theme that equilibrium is a most healthy impulse for trapeze artists as well as for ordinary people, is the best of the three features. The performances of Kirk Douglas and Pier Angeli are strong, the latter especially has never before shown such a very personal style of expression as in this role of a trapeze artist. The direction of Gottfried Reinhardt, (the late Max Reinhardt's son) is better here than in the opener.

Italian Picture

The scenario of "Ultimo Incontro", an Italian production at the Tamar, tells in a rather stereotyped manner of the gallant adventures of Alida Valli, wife of a dynamic automobile engineer. I like her sentimental beauty — but here the role is below her standard. Milan, and a Monza automobile race, give a colourful background.

Mo.

JERUSALEM CINEMAS

at 3, 6.30 & 8.30 p.m.

ARNON: Hurricane Smith.
EDEN: Carbine Williams.
EDISON: Captain's Paradise. at 3 & 6.30 only.
ORGIL: Tall Headlines.
ORION: Mission Over Korea.
ORNA: O' Henry's Full House.
STUDIO: Harvey. 2nd week.
ZION: Lo Sai Che I Peccati...

Coming at the Chen Cinema, Tel Aviv Amphitheatre, Haifa
DUEL IN THE SUN
★ JENNIFER JONES
★ GREGORY PECK
★ JOSEPH COTTEN
★ Lionel Barrymore
★ Lillian Gish
★ Herbert Marshall
★ Walter Huston
★ Charles Bickford
Shortly at the ORION Cinema, Jerusalem

SPORTS

Michigan State Snaps Losing Streak

EAST LANSING, Mich., (UP). —Michigan State snapped a seven-game losing streak and sent Michigan skidding into the Big Ten Conference basement with a 76-61 victory as both teams ended their basketball seasons before 8,370 fans, on Sunday. The win gave Michigan State sole possession of eighth place with the two schools last year. Michigan State forward Julius McCoy was high scorer for the evening with 24 points, while Michigan's Tom Jorgenson and Jim Barron each had 17.

At Milwaukee, Jack Stephens rang up 29 points for the Irish as Notre Dame gained its 16th straight basketball victory of the season, defeating Marquette, 79 to 68.

At Buffalo, N. Y., Niagara avenged its most stinging defeat of five this season by trouncing little three rival Canisius, 74-54, before a crowd of 11,268, largest of the season, in Memorial Auditorium. Niagara, making its seasonal record 22-5 before embarking for Madison Square Garden, reversed an earlier upset by Canisius six weeks ago when Griffens surprised Tabs Callagher's club with a tight defence and emerged victor, 53-46, as Niagara's heralded guard, Larry Costello, was held scoreless from the field.

At Long Beach, Calif., Oregon State College evened up the score with the University of Southern California by beating the Trojans 65 to 47 in the second game of the Pacific Coast Conference playoffs at the Long Beach City College gym.

At Peoria, Ill., Bradley's basketball Braves made a mock of Tulsa's vaunted defensive play as they romped over the Oklahomans, 80-69. Bradley's total was the largest ever scored against Tulsa. Previously, the Golden Hurricane had held opponents to a high of 88 points.

Wingate Sports Centre in Hand

TEL AVIV, Monday. — The first stage of the Wingate Sports Centre near Natanya is to be completed by August, the Press was told here yesterday by a spokesman of the Physical Training Department of the Ministry of Education and Culture.

The Ministry has allocated IL.100,000 with which the first four buildings of the centre are now being built. When these are finished, construction is to continue with the help of the American Fund for Israel institutions until the completion of what is to be the main centre of sports instruction and training in the country.

On a 170 dunam plot donated by the Jewish National Fund, the sports centre will afford indoor and outdoor facilities for athletics and games, including water sports.

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Mt. Carmel, 4 rooms, many service rooms, hall, nice garden, beautiful panorama IL.35,000. Mortgage possible. "SIGNON" L. Samoshi, 61 Reh. Hersl, Haifa. Tel. 4739

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Tel Aviv-Jaffa Residents!
The Tel Aviv-Jaffa Municipality hereby institutes the month of March 1954 as
"MONTH OF GRACE FOR PAYMENT OF MUNICIPAL RATES"
Taxes paid during this month are exempt from the 20% fine.
Residents, remember:
Enjoyment of Municipal Services is your right. But your duty lies in your contribution towards their maintenance.
H. LEVANON
Mayor
The Offices of the Municipality will be open during March also between 3 and 6 p.m. Payments connected with taxes may also be effected through Banks in Tel Aviv-Jaffa.

Today's Post Bag

THE WEATHER

	A	B	C	D
Mt. Cana'an	66	5	19	11
Tiberias	67	10	23	20
Haifa Port	69	11	20	19
Natanya	62	9	19	13
Tel Aviv North	65	8	22	21
Tel Aviv Port	71	9	18	19
Lydda Airport	70	8	22	21
Jerusalem	65	7	16	15
Beersheba	73	6	22	21
Eilat	80	14	25	20

FORECAST: Partly cloudy with light rain.

"A) Humidity at 9 p.m. B) Minimum temp. C) Maxim. yesterday. D) Maximum temp. expected today.

* * *

4,371,347 CRATES of citrus were exported from the beginning of the season until last Sund.y, the Citrus Marketing Board announces. By the same time last year, 3,373,612 crates had been exported.

* * *

KFAR CANIM residents went to the polls yesterday to choose their first elected council in 25 years. Seven parties contested the nine seats.

* * *

NAIM TWIG, Naim Mizrahi and Faleh Mizrahi, who are charged with forging cheques and obtaining IL.40 under false pretences from Barclays Bank last year, were remanded for seven more days by Haifa Magistrate Dr. Y. Levin yesterday. The police prosecutor said there was evidence that the three had joined Leon Zaki, a Barclays Bank clerk, also suspected of embezzlement, to escape to the Lebanon.

* * *

YEHUDA STRITERMAN, 56, pleaded not guilty in the Tel Aviv Magistrate's Court yesterday to the killing of his neighbour's rabbit by throwing it off the roof of their house at 42 Rehov Wolfson, Tel Aviv. The trial will be resumed on March 29.

* * *

AN ESHED BUS in Rehovot's central station yesterday hit Mrs. M. Bilha, 43, of Rehovot. She was taken in a serious condition to the Kaplan Hospital. The driver, A. Kirvner, 27, of Nahlat Yehuda, was detained and released in bond.

* * *

A SPECIAL FRANKING stamp will be used in the Tel Aviv and Jaffa Post Offices tomorrow to mark Anti-Tuberculosis Week.

* * *

REHOV BASLE, in Tel Aviv, will be closed to vehicular traffic between Rehov Zangwill and Rehov Sokolow for one week from today until March 16.

SOCCER

(Continued from Page 1)

cond half. In the 17th minute inside right Papatonio took a ball on the turn and sent in a rising shot from 25 metres out which beat Chodorov all the way.

Israel's right wing, Israeli and Goldstein, tried hard but could do nothing against a stone-wall defence.

Four minutes from the end, Greek inside-left Kamarus sent in a drive from 20 metres out during a melee and this also beat Chodorov. The home side tried again for a consolation goal but were completely ineffective.

In this sub-standard game, relieved only by the excellent refereeing of Italy's Ricardo Peiri, and the control of linesmen Tahik Vzaren (Turkey) and Buchmiller (Switzerland) the Greeks were deservedly winners. Israel definitely had a bad off-day.

This defeat gives Israel her third loss in the series and puts her out of the contest. Yugoslavia, the third country in the triangular contest, is scheduled to play Israel in the Ramat Gan stadium on March 21.

Two chartered Cyprus Airways aircraft this morning brought 52 Cypriot Greeks to watch the game. They were to fly back tonight.

French Star For Local Film

LYDDA AIRPORT, Monday (ITIM). — Mlle. Sophie Le-Claire, French film star, arrived here today by El Al to act in "Every Mile a Stone," the full-length feature film now being made in Israel. She replaces Miss Maria Riva, who has returned to the U.S. after several months here.

The film is being produced by the Sdot company, established by Mr. Y. Federman, of Haifa, a group of Belgian investors and Kibbutz Hameuhad. It is being directed by Mr. A. Lahola, who said here today that 40% of the film had already been shot, and the entire picture is due to be completed within six weeks.

Night University Opens in Haifa

HAIFA, Monday. — An evening High School of Humanities was opened at the Geula School here this evening. The school, on a university level, is run by the Municipality in co-operation with the Hebrew University and the Ministry of Education.

The curriculum includes philosophy, general and Jewish literature, psychology, Bible and Talmud, as well as English and French as auxiliary subjects. Many of the school's lecturers are from the H.U. staff.

Courses will last for three years. Students will be asked to attend 20 hours of lectures weekly, but there will be little homework. Entrants must have matriculation, although other persons may attend as "listeners." The fees are IL.120 a year, with a 20% reduction for soldiers, policemen and out-of-towners.

The school was initiated by Mr. S. Rosenheck, Director of the Municipality's Cultural Department.

Agrobank to Handle S. American Capital

TEL AVIV, Monday (ITIM). — With the addition of fresh capital from Latin America the Agrobank has now become the central channel for investment from South America, Mr. Alfredo Korn, representing the new investors, said here today at a luncheon organized by the bank.

The speaker noted that there had been an increased wave of immigration from Latin America in recent years.

The bank will operate an "economic intelligence service" for interested investors and would maintain contact with visitors to Israel. It will also endeavour to increase Israel exports to the South American countries.

Other speakers at the luncheon were Mr. S. Miron (Mierenburg), one of the founders of Agrobank; Dr. J. Bieger, newly - appointed Agrobank manager representing Compania Uruguaya-Israeli de Inversiones, a South American investment company; and Dr. N. Barzakai, President of the Tel Aviv District Court. Mr. J. Heftman, Chairman of the Tel Aviv Journalists Association, presided.

The Jerusalem Post learns that the first IL. 150,000, to be invested in Agrobank this month, will bring the share capital to IL.250,000 fully paid-up.

Another IL.750,000 is to be invested during the following nine months. In addition, it is anticipated that other funds will follow from Latin America as deposits.

$3m. in Medical Goods From Germany

LYDDA AIRPORT, Monday (ITIM). — Two million dollars' worth of medical equipment has been purchased in West Germany under the Reparations agreement, in addition to the $1m. worth already arrived.

This was revealed here today by Dr. Yitzhak Kovelman, head of the Kupat Holim Supply Department, who returned today from six months' service in Germany as advisor to the Purchasing Mission on medical supplies.

The equipment is to be divided among the Government, the Sick Fund of the Histadrut and other organizations, and pharmaceutical factories.

Haulage Rates To Rise 25%

TEL AVIV, Monday. — A national meeting of haulage workers decided here last night to raise road haulage charges by 25% from March 15 because of the higher costs of petrol and tires.

The meeting also called on the Government not to give preference to Tovala, the haulage company of Ihud Hakibutzim Vehakvutzot, in receiving spare parts for their vehicles.

Khoushy Asks IL.3m. For Development

HAIFA, Monday. — A draft 1954/55 Municipal development budget totalling IL.3,076,500 was presented to the Council by Mayor Abba Khoushy this evening. Last year's development budget totalled IL.4.7m. but only about IL.2m. were actually spent. This budget is in addition to the ordinary budget.

The draft includes IL.150,000 to be spent on liquidating neighbouring *ma'barot*, especially the David *ma'bara*. IL.1.4m. is to go for schools and public buildings, a new wing for the Municipal Hospital and to continue the Writers' Quarter scheme on which IL.50,000 is to be spent.

The Municipality hopes to abolish the second shift in schools with the scheduled new building. IL.800,000 is to be spent on sewage works and IL.250,000 on water supply.

The Mayor said that the different schemes will provide 136,000 work days for unemployed, enough to keep 500 men working the year round.

Beersheba Spending

BEERSHEBA, Monday. — The Local Council unanimously adopted a regular IL.1,012,000 budget yesterday.

In previous sessions, the Council decided not to raise rates this year, and adopted a IL.160,000 reserve budget. Next week, a development budget of IL.500,000, and IL.220,000 for water and transport will be presented.

The total budget this year will exceed IL.2m.

Industry in Eilat

EILAT, Monday (ITIM). — Six factories are to be built here shortly, according to an agreement signed here today by Mr. Arieh Pines, for the Arava Authority, and Mr. Tyomshinsky and Mr. Gruenwald, representing a group of Israeli investors.

The Arava Authority is to complete the buildings for the factories within six months while the investors are to equip and manage them on ten year leases.

The planned factories, some of which are to receive raw material from East Africa, will produce fishing nets, lead products, carpets, woollens and building materials.

Gad Machnes, Farmer-Fighter, Dies

Jerusalem Post Staff

PETAH TIKVA, Monday. — Mr. Gad Machnes, one of the founders of the Farmers' Federation, leader of the citrus industry and one of the men responsible for the purchase by Jews of large tracts of Arab land, was laid to rest in the old cemetery here this afternoon.

He died last night at the age of 61, at the Assuta Hospital in Tel Aviv, where he had been confined for some weeks. He leaves a wife, two sons and a daughter.

Among those who delivered eulogies on the route of the funeral were the Minister of Communications, Mr. J. Saphir; Mr. Zvi Izakson, Chairman of the Farmers' Federation; Mr. I. Ichilov, M.K. and Mayor Oved Ben-Ami, of Natanya.

All the speakers recalled the part played by Gad Machnes in fostering Jewish agriculture. Mr. Ben-Ami recalled that it was Machnes who had arranged for the purchase of the land on which Natanya now stands, as well as the sites of Herzlia, Even Yehuda and other places.

Gad Machnes was born in Petah Tikva in 1893. In his youth he was a member of Hashomer and a fine sportsman. He particularly distinguished himself in horse-riding. He was also interested in cultural activities but was essentially a man of action and a farmer.

He devoted his life to numerous public activities. He helped establish the Farmers' Federation and the local Maccabi. He was active in defence activities and was imprisoned by the Turks for his role in the defence of Petah Tikva. On the eve of the establishment of the State, when a Haganah leader, he advised the Government on security and Arab affairs.

He was among the initiators of a number of farming and other organizations including the Bnei Binyamin and the Bnei Binyamin Bank; Hevrat Hanoteah; Bustan Ltd; Pardess Syndicate; Mishdrini; and the Natanya Seashore Development Company.

Perhaps the high mark of his career were the extensive land acquisitions from the Arabs in 1928.

U.N. Hydro-electric Experts Delayed

LYDDA AIRPORT, Monday (ITIM). — General Vagn Bennike, U.N.O. Chief-of-Staff, arrived here this morning, accompanied by members of his staff, to greet two water experts who were due to arrive today to advise him on a factual assessment of technical matters connected with the Jordan hydro-electric scheme.

The experts, Mr. Y. Dickson and Mr. Y. Eisvogel, did not arrive as scheduled, however, and the General returned to Jerusalem.

RATION NEWS

JERUSALEM: Eggs: 6. Rayin 14, temp. 4. Yemen Turkish fish: 250 gr., Rayin 2, temp. 6. Oil: 250 gr., Yav 28, temp. 2.

TEL AVIV: Eggs for invalids: 4 on Hiz Aleph 1, 2 on Yod: 250 gr. and 2 on Bet Gimel 12; for expectant mothers: 12, coupons 17, 18 in old books, 26, 28 in new books. Imported cheese for expectant mothers: 250 gr., coupon 8 in old books, 125 gr., coupon 28 in new books, plus additional 250 gr. on Aleph cards, Rayin 7. Soy flour: 500 gr., coupon 33. Imported jam: 450 gr., Rayin 7. Margarine: 500 gr., Rayin 9. Imported butter: 500 gr., Rayin 8.

SHARETT ON ARAB WORLD

(Continued from Page 1)

anarchy, intrigue and uncertainty, this naked struggle for power and the alternation of sham parliamentarianism and brutal military dictatorship. We have no ambition to remake the only centre of stable democracy in a sea of strife and upheaval. Our people has a permanent stake in this region, and is vitally interested in calm and stability, and the sanctity of human and national rights."

Mr. Sharett went on to say that there was no reason to regret the efforts towards peace which had been made in a hundred ways in the past, nor yet the study of the possibilities contained in some new leadership or regime. More thought and more devotion to the Zionist ideal was inherent in this attitude than in bombastic proclamations of political failure. Meanwhile the absence of peace had proved more hurtful to the states which had refused to make peace than to the one state to which it was denied. The rapid progress, despite difficulties, of beleaguered and isolated Israel compared favourably with the political upheavals and social stagnation of the besiegers. The defeat of the Arab invasion was still rankling, and the process of disintegration which it set in motion had not reached its bitter end.

"They have no peace at home because they will have no peace abroad. Peace is indivisible.

"To place arms in the hands of those who refuse peace in the region will make no contribution to the defence of the region... nor promote stability even of military regimes, present or future. These arms can serve only as an irritant and as a prize to be snatched by military cliques from civilian governments, and by one junta from another. The guns will be trained inwards, within the country and the region, against Israel and in expansionist attacks on the other Arab countries."

Mr. Sharett added that the Government had warned against these dangers, and that the warnings had not gone entirely unheeded.

Pakistan and "Palestine"

Turning to the impending military defence pact between Turkey and Pakistan, Mr. Sharett said that this was a matter of major importance to Israel. It was gratifying that Turkey had dissociated herself completely from Pakistan's declaration of loyalty to the Moslem cause in various countries, including "Palestine." In the context of Pakistan's relations with India there was certainly an analogy between the arming of Pakistan and the arming of the Arab states.

"Our opposition to the arming of the Arab states is absolute as long as they continue to wage cold — or not so cold — war against Israel. The Prime Minister of Iraq, in justifying his application for arms, has told his Chamber that Iraq is in duty bound to play her part in the destruction of Israel. Is that Iraq's title to this form of aid? Or is it because Iraq's well-known territorial ambitions serve as a permanent source of friction in the Middle East, and now threaten a major dislocation? Has it served them that they have recently kidnapped harmless travellers and that the United States has not been successful in obtaining the release of the victims?"

Iraq Guarantee

"We hear that the United States Government, in genuine concern for the security of Israel, intends to exact a guarantee from Iraq that the arms which she is to receive will not be used against Israel. Iraq is already on record as having used arms given her by Britain for her defence in an attempt to crush Israel. The same is true of Jordan. How can the United States Government feel confident of being able to enforce this guarantee at a time of crisis? It is safer to give no arms than to have to rely on promises as to their use.

"The supplying of any arms to Iraq will be regarded by us as seriously detrimental to our security."

Mr. Sharett added that apparently the tendency of appeasement was deeply rooted, and that it took a great deal of imaginative understanding to hold out against the blandishments of sheer size, size of territory and size of population, particularly in areas that contain strategic key positions and oil sources.

This quantitative conception had led the Soviet Union to try to woo the Arab states, not solely at the expense of the United States, and not solely at the expense of Israel.

It was fortunate that while the opportunities for influencing Soviet policy were very limited there was full access not only to the Western governments but to the free and conscientious public opinion of which these governments form an organic part.

"Our strength is limited, but it is stable and united and we must preserve it for an emergency that may arise.

"We shall resist aggression and do our best to turn the tables on any attacker. We shall carry out the armistice agreements in the letter and the spirit, but we will not permit them to be used as a stranglehold on legitimate development. If there should be any change in the identities of our neighbours through fusion, annexation or invasion which we consider detrimental to our security, we shall feel free to take precautionary measures. But we will not precipitate any crises. Nervousness and impatience are not a sign of strength.

"We know that while the Jordan canal issue is under consideration we are able at any time to continue the work. While we are struggling to secure the free passage of ships to and from Eilat we do not have to be reminded that we have an air force... We must be both firm and patient under difficult circumstances. We have faith that in the end our just claims will triumph and that the cause of just peace will triumph also."

US, Japan Sign Military Aid Pact

TOKYO, Monday (UP). — The U.S. and Japan today signed a military aid pact that will give Japan a new army, navy, and air force and permit the eventual withdrawal of American troops.

Japan will become a partner of the U.S. in the vast Far Eastern defence alignment against Communist aggression.

Under the agreement, Japan will get war planes, artillery, tanks, anti-aircraft guns, warships up to destroyer size, electronic equipment and whatever else it needs to build up again the fighting force that was wrecked "forever" in World War II.

Japan will get about $150m. worth of military equipment this fiscal year.

Under seperate agreements signed along with the pact, Japan will be permitted to buy $40m. worth of surplus wheat and barely from the U.S. (The U.S. will spend the money in Japan for the manufacture of military supplies.)

Japan will also get $10m. worth of wheat as a gift and, in turn, will use $10m. to develop its defence industry.

Japan will have an army of 160,000 men, with an air force and navy.

Jordan Reply to UN Will 'Explain' Talks Rejection

Jordan's reply to the U.N. Secretary-General's request that it meet with Israel under Article 12 of the Armistice Agreement is to be sent off by Thursday, NEARS reports. The reply is said to differ from the two previous ones on the subject in that it gives an explanation of why Jordan cannot attend such a conference.

Political circles in Amman, quoted by NEARS, said they believe that, in view of the nature of the Jordan reply, the matter will be referred to the Security Council.

Syria Reconvening Old Parliament

The Syrian Cabinet last night decided to convene the pre-Shishakly Parliament within two weeks.

It also dismissed the Governors of Damascus, Aleppo, Homs, Hassakeh and Hama, as well as three mayors in Aleppo, Latkia and Hama. The deputies of the dismissed mayors and governors have been asked to take over the posts.

An underground prison was reportedly discovered at the Sheikh Hassan police post. Cabinet members who visited the prison were said to have been shocked at the sight, declaring that no one could sleep there for three nights and come out alive. Its immediate destruction was ordered.

The Minister of Interior announced that all political parties abolished by the Shishakly regime in 1950 might resume activity and publish party newspapers.

Sultan Pasha el Atrash, who arrived in the Jebel Druze from Jordan on Sunday night, visited Damascus yesterday.

New light was shed yesterday on the departure of General Shishakly from Beirut. It is now reported that King Saud of Saudi Arabia at first refused to grant the deposed dictator been shocked at the sight, delay in Shishakly's departure.

It was only when King Saud was informed by his Legation in Beirut that pro-Shishakly elements might stage a counter-revolution and that Shishakly was about to return to Damascus that he agreed to give Shishakly refuge.

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America May Buy Offshore in Israel

WASHINGTON, Monday (UP). — Plans for spot purchases of civilian commodities in Israel for the use of NATO or American forces in Europe are still under study, American officials said yesterday.

The plans were said to have been suggested tentatively to Israel many months ago. A question about this matter was said to have been asked at a closed meeting last Wednesday between a group of Congressmen, Acting Secretary of State Walter Bedell Smith and Assistant Secretary of State Henry Byroade. Mr. Smith and Mr. Byroade were said to have replied that such a plan exists.

Six Senators and 20 Representatives had called for the meeting to express their concern over reports that the State Department contemplates sending arms to Iraq, should Iraq join the Turkish-Pakistan arrangement, and perhaps to other Arab nations which may join. The State Department officials were understood to have repeated the assurances they have made in the past — that they are thinking in terms of a very limited amount of aid whose effect would strengthen internal security in the recipient Arab nation.

No Arms Orders

Informed sources said the plan for offshore procurement in Israel is not anything that would give Israel a *quid pro quo* in the event of arms aid to an Arab state. They knew of no plan for placing orders for arms in Israel, although some of the commodities envisaged might have some military value. They did not believe that Israel has arms production capacity to spare. Many months ago, they said, U.S. military representatives, looking about for places where they might purchase items needed for the NATO or U.S. forces in Europe, asked Israel what she could offer. They held tentative discussions with manufacturers in Israel, mentioning oranges, textiles, pharmaceuticals and other Israel export items as possible purchases.

The plan proved to involve considerable red tape, these sources said. The Israelis were not believed to have heard more about it for a long time now, although the suggestion was never formally dropped. The Congressmen who met with Messrs. Smith and Byroade included such staunch supporters of Israel as Senators Herbert H. Lehman and Irving Ives, and Representative Jacob Javits, all of New York. The assurances they received were reported to have left them unsatisfied. They were said to have reiterated their belief that no arms should be given to any Arab state which considers itself to be in a state of war with Israel.

Congress At War

WASHINGTON, Monday (Reuter). — A Democratic Representative, Mr Carl Vinson, suggested today revising the salaries of Congressmen following the wounding last Monday of five Representatives by Puerto Rican terrorists.

Mr. Vinson said he was thinking of introducing a bill providing three new salary categories: 1—Combat pay for those who stood up under fire, 2—Flight pay for those who ran from the chamber and 3—Submarine pay for those who dived under desks.

Kastner: Everything Done To Save Parachutists

The fates of Hannah Senesh, Peretz Goldstein and Yoel Palgi the parachutists sent to Nazi-occupied Hungary in 1944, were reviewed again in the Jerusalem District Court yesterday by Dr. Israel Kastner during his re-examination by the District Attorney.

Dr. Kastner is the chief witness in the trial of Mr. M. Greenwald, for libel in having accused Dr. Kastner of having collaborated with the Nazis.

He and the Jewish Rescue Committee in Budapest had been accused by the defence of having let the parachutists fall into the hands of the Hungarian authorities.

The re-examination of Dr. Kastner took place in an emotional atmosphere and lasted over three hours. At times it was punctuated by sobs which Dr. Kastner sought to restrain by covering his face with his hands.

Dr. B. Halevi, President of the Court, took an active part in questioning Dr. Kastner in yesterday's proceedings.

Caught With Radio

He asked the witness why Hannah Senesh had been treated differently from Goldstein and Palgi. Didn't they all come as espionage agents?

Dr. Kastner replied that Senesh was caught with a radio transmitter and was summoned before a Hungarian Court and summarily executed. Goldstein and Palgi were not caught with their transmitter and were sent to Germany as prisoners.

The Hungarian counter-espionage considered its action against the Jewish parachutists of great importance and mobilised 40 or 50 agents for that purpose, Dr. Kastner told the Court, citing a report by a Hungarian officer.

Dr. Kastner recounted in detail the various plans for Goldstein's escape he and his colleagues in the Rescue Committee conceived (through the Bergen Belsen train to Switzerland and the flight to the Rumanian frontier). But the risks were too great, he said.

In the meantime Palgi had been captured by Hungarian agents and his own home (Kastner's) had been surrounded by agents. His colleagues who were with him at home were detained and two agents remained to watch him.

Finally, when Goldstein was contacted in his hiding place, he volunteered to surrender to save the Jewish community and Palgi from the perils engendered by his presence.

It was also hoped that ultimately the Jewish community might intercede on behalf of the two parachutists and save their lives. *(Itim.)*

'Immediate End' Seen To Infantile Paralysis

DALLAS, TEXAS, Monday (Reuter). — The president of the American Medical Association, Dr. Edward McCormick, said here that the medical profession anticipated the "immediate end" of infantile paralysis and predicted that cancer would be conquered in "five or six years."

Addressing the closing session of the ninth annual rural health conference, this weekend, Dr. McCormick said the discovery of the salk vaccine appeared to be "the answer" to infantile paralysis.

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Cables in Brief

TRADE. — A group of British businessmen expect to leave London next week for trade talks with Chinese Communist representatives in East Berlin, it was learned in the British capital yesterday.

CAPTURED. — Two Japanese fishing boats were captured by a Soviet patrol boat on Sunday after a crash in January, will north of Hokkaido Island, it was learned in Tokyo yesterday.

AWARD. — Prof. Otto Hahn, first scientist to split the uranium atom, has been awarded the Grand Cross of the Order of Merit with star and sash — one of the highest West German decorations — on the eve of his 75th birthday. He won the 1946 Nobel Prize for Physics.

DEAD. — Jacob Isaac Segal, 53, Dean of Canadian Jewish Writers, died suddenly today at his home in Montreal. He was literary editor of the "Jewish Daily Eagle" and author of 11 books of poetry. He won the International Lamed Prize in 1949, an award made annually to Jewish writers.

SEX. — Australian scientists have changed the sex of an opossum from male to female mainly by injecting the animal with a few sex hormone drug.

Steimatzky's Column

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Personal Notices

We deeply regret to announce that our beloved

Else Domnauer (née Lichtenfeld)

passed away on Saturday, March 6, 1954. The funeral has already taken place.

THE BEREAVED FAMILY

We wish to express our sincere condolences

to the Felman Family

on the loss of the head of the family

Mr. N. Felman

Socony-Vacuum Oil Co. of Israel Ltd.

The family of the late

Gustav Teltsch

wish to thank all relations and friends for their kind expressions of sympathy in their bereavement.

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Expected Arrivals

m.s. "VAVA" Due in Israel on or about March 12. Accepting cargo for Rotterdam, Bremen, Hamburg, London.

m.s. "DONJA" Originating from London, Hamburg, Antwerp, Rotterdam. Will load at Algiers March 12, Limassol March 19/20, Famagusta March 21. Due in Israel on or about March 22

m.s. "BECET" Will load at Hamburg March 10/12, Bremen March 13/15, Rotterdam March 17/18, London March 20/22, Antwerp March 24/26, Malta April 2/3, Piraeus April 4/5, Limassol April 8, Famagusta April 9. Due in Israel on or about April 10.

For further particulars please apply to the General Agents in Israel

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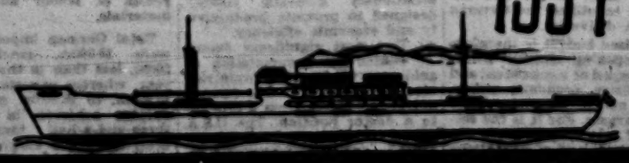

THE BRITISH CONFERENCE LINES

Economic News Briefs

An agreement has been reached with Ankara authorities about the resumption of Israel exports to Turkey. Import licences for the amount of $2.6m. are to be issued shortly.

•

A trade agreement with Israel has been signed in Budapest. It includes a long list of import and export articles, without quotas fixed, and a "swing" of $500,000.

•

The first Israel-Italy trade agreement has been signed in Rome. A committee for advising the Government about the future of the foreign currency control is to be appointed shortly, announced the Minister of Finance. Its terms of reference would include the proposed amnesty for capital held abroad.

•

The second 100,000 tons of crude oil have been purchased in Russia by the "Delek Ltd." and the "Palestine Electric Corporation."

•

The list of goods to be purchased on the Reparation account in the year 1954/55 has been fixed by the mixed commission in Cologne. It amounts to $50m. marks, out of which 75 m. are to be spent on oil.

•

The rural property tax is to be increased to three times and more its present level.

•

Stamps duties are to be increased to many times their present level. The exemptions for cooperative societies are to be abolished.

•

Funds totalling IL.2.3 m. have been released by the counter-part fund of the USA grant in aid for road-construction (including approach roads to 18 villages), irrigation of the Beisan and Kishon valleys, afforestation, planting of olive trees etc.

•

The modernly equipped Frouming biscuit factory, which will produce for export with a monthly capacity of 900 tons, has been opened in Bnei-Brak.

•

Work has begun on the site of the Tel Aviv future railway station. A guarantee of at least 12 days outside employment a month for men joining immigrant settlements has been announced by the Ministry of Labour.

•

A special allocation of 15,000 work days has been released by the Ministry for the fortnight preceding Passover.

•

Bread with rye content up to 20 per cent in order to save subsidies has been announced by the Food Controller.

THE JERUSALEM POST

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SUBSCRIPTIONS
Inland IL.28.750. Foreign IL.34. per year.

Tuesday, March 9, 1954
Adar II 4, 5714. — Rajab 4, 1373.

THE first round of the budgetary debate did not, as a matter of fact, deal with balancing the budget. For balanced, on paper, it is. Nor did it hinge upon the question of the budget's practicability. For even critics had to admit that its expenditure estimates had been calculated with much care, taking into account capital items and the expected rise in costs and wages, while the estimated revenue seems to be reasonably in keeping with current income.

TASKS AHEAD

The main question underlying the debate was whether the firm attitude taken by the Government was meant in earnest, and for the time being this has been answered in the affirmative. The vociferous demands for additional subsidies running into many millions, heard in several quarters during the past week, have clearly shown now far the present budget went in resisting public pressure. Given a fair measure of administrative efficiency and of public responsibility the scene is set for comparatively stable monetary development, with existing inflationary forces checked by increased taxes and frozen credits. But the real test will come only in some months, when the impact of the proposed retrenchments in the economy will be revealed and the extent of the country's adaptability to the new climate verified.

This impact will mostly be felt in the fields of labour, credit and investments, and it is there that the battle for a healthy economy will be fought and won. But for the time being there are few signs that adequate preparations have been made to weather the storm in these fields. Only in respect of employment has an emphatic warning been issued: by the Minister of Finance who states that urban labour opportunities will shrink both in the building trade and in industry, and no store is to be set on public works and emergency projects. Accordingly, the transfer of 10,000 families to agriculture has been set as a target and a high-level committee appointed to propose measures that will increase the productive ratio of our population. However, this last measure is evidently of a long-term character, while the agricultural programme, which aims at doubling the achievement of the previous year, is bound to encounter difficulties at a time when most of our means are devoted to consolidating the established farms and adequate human resources are scarce (especially as the programme's sponsors continue to rely mainly on the traditional settlement forms, which had been tailored for farmers of independent outlook). Nor has due attention been paid to the divergence between the present credit squeeze and the rising demands which are bound to come as a concomitant to any agricultural expansion. Moreover, the prospect of reduced employment and credits in industry does not sit well with the continuous efforts to speed up industrial investments in order to increase exports and to utilise the German reparation deliveries.

A stabilised budget is therefore only an opening chapter which needs a sequel of a consistent and comprehensive economic policy, which is not to be replaced by the best targets. For it is the setting up of priorities between the various targets and of limitations to the whole of them which gives a policy that effectiveness which hitherto we have so often missed.

Budget Foot-note

Jerusalem Post Correspondent

AN abundance of facts and figures relating to the Government administration and services are contained in the comprehensive explanatory volume which has been published by the Ministry of Finance as a handbook to the Budget Estimates.

The overall breakdown of the ordinary expenditure is summed up as follows:

Total ordinary expenditure	IL.584.9 m.
less: revenue from services and participations	IL. 13.9 m.
net ordinary expenditure	IL.571.0 m.
of which: Salaries of the Government administrative personnel	IL. 77.0 m.
organisation expenses	IL. 19.6 m.
maintenance & performance of services	IL.462.9 m.
capital expenditure	IL. 4.5 m.

A major part of the revenue mentioned above is due to double accounting, for example: rent paid by the Government departments for the offices rented from the Ministry of Finance (IL.0.5m.); maintenance works executed by the Public Works Department (IL.1.8m.); and the maintenance service of the Post Engineering Department to the Broadcasting Service (IL.0.4m.). But several items are genuine additional revenue, mainly: participation by the Jewish Agency and the local authorities in regard to tuition fees (IL.2.4m.); medical services of Malben (IL.0.25m.); fees from patients in Government hospitals (IL.2.5m.); from students and examinations (IL.0.35m.), and from services to ships in the Haifa harbour (IL.3.1m.).

The organizational expenses are mainly national insurance (IL.2.7m.); travel at home (IL. 1.4m.) and abroad (IL.0.35m.); car maintenance and drivers' salaries (IL.2.6m.); travelling expenses (IL.0.8m.), postage, telegraph and telephone fees (IL.2.9m.), stationery and printing (IL.1m.), rent (IL.1m.), maintenance and repairs (IL.1.5m.). Other items are insurance, advertisements, newspapers, telephonists, cleaning personnel, temporary workers (IL.1.2m.) etc.

Capital expenditure consists mainly of acquisitions of equipment, furniture, lorries, etc.

Education Figures

The elementary school system includes 197,000 pupils (of whom 24,000 are Arabs) and the kindergartens have 34,500 children. The average number of pupils per class is to rise to 36, compared with 27 in the preceding year. Expenditure for the elementary schools amounts to IL.52m. and for nursery schools to IL.3.3m., to which IL.1.16m. must be added for meals, milk and cocoa to school children. Subsidies for secondary education amount to IL.590,000 and for higher education (Hebrew University, Technion, Weizmann Institute, etc.) to IL.2.2m. About IL.05m. will be provided for the teachers' seminary.

From the budget of the Ministry for Social Welfare, more than half has been allocated to assistance in kind and to care for children in *ma'barot* (IL.2.9m.) and to the maintenance of institutions for young delinquents and defectives (IL.900,000). The total number of persons receiving assistance in the *ma'barot* is at present 8,230, most of whom are elderly widows, sick, etc. The number of children in the closed institutions is 830, but there is room for an additional 55. The number of personnel caring for them is 238.

The average cost to the State of a person held in prison varies according to the budget estimates from IL.1,088 per annum in the Beit Hashitta prison and a similar sum in Ma'asyahu camp prison to IL.1,760 in the Tel Mond prison. The total number of prisoners for the coming year has been assumed to average 1,200 (in January it was 1,150), but the existing prisons have been adapted to hold up to 1,600 persons. The staff of the Prison Department is at present 544, and its expenditure IL.1.96m.

Of the IL.34.5m. to be paid as interest on Government debts, IL.7.3m. are to be paid on internal debts (IL.2.2m. on 3% Land Bonds., IL.1.4m., on 2% Treasury bills, IL.1.65m. on account of the compulsory loan, etc.), but IL.17.4m. are needed for interest on the foreign debts, which amounts to $9.56m., including $4m. for the Export-Import Bank loan and $2.5m. for the Independence loan.

Total number of Government employees is listed as 44,132 falling into the following main categories:

Administrative higher grades (1-5)	820
Administrative, other (grades 6-15)	14,366
Police and prisons	6,585
Teachers (full-time inc. nursery school)	9,500
Social workers	2,027
Labourers	6,153
Judges and jurists	334
Engineers, agronomists, chemists	722
Physicians and pharmacists	496

In fact, the number of educational personnel on Government service is 12,500, but many of them are employed on a part-time basis. Most of the labourers are employed in the post office and communications ministries.

The Government's health service now includes eight general hospitals with 1,967 beds (of which 665 are in the Tel Hashomer hospital taken over from the Army last year), three tuberculosis hospitals with 879 beds and eight hospitals for mental patients with 1,895 beds. During the coming year, they are calculated to provide for 1,856,000 sick-days at a cost of IL.12m., of which IL.2.5m. will be recovered by income from patients. The cost per sick-day has been put at IL.10-12 in the general hospitals (while the average income per sick-day would be IL.3.5) and at IL.3.5-8.0 in the special ones, which do not require such a large staff.

Legal Framework For German Reparations

By GERDA LUFT

THE Report of the State Comptroller for the year 1952/53 contains, among other things, his remarks on the work of the Shilumim Corporation in Tel Aviv and in Germany, and suggestions for necessary changes in its organization and legal framework. It is worthwhile to quote the following:

"Taking into account the importance which the reparations agreement has for the balance of foreign currency, the development budget, the trade balance, and development projects, the Government should have used the vast reparations funds at its disposal according to a well-thought-out pattern, as part of its general economic plans. Although we have to take into account that the lack of foreign currency forces the Government to use Reparations funds for current urgent needs, nevertheless it was necessary to make sure that part of the Reparations, if possible the greater part should be used for laying a firm foundation for our economy."

Thus, the State Comptroller comes out, as he had done in a less decided form in the former report, on the side of those who demanded careful planning of the payments for basic development. It is now too late to go back to this demand, but the Comptroller's remarks on the way orders in Germany are handled are of topical interest.

When work on Shilumim Reparations began, the Treasury allocated to the various Ministries certain sums for goods to be ordered in Germany. These accordingly started to prepare lists, often according to their momentary needs. Then negotiations started between Ministries, the representatives of economic institutions and large enterprises, in order to prepare a final list of orders. As a result, the Treasury empowered the Shilumim company to place orders for roughly 87 million marks. Until October 31, 1953, however, the company had placed orders for roughly 114 million marks and in certain instances orders were 40% higher than the allocations of the Ministry.

Exploiting Allocations

The Comptroller points out that the Shilumim company is bound to place its orders without delay, as the annual allocations must be exploited. Government offices, however, work slowly, the negotiations with interested parties take much time and things came to such a pass that the Company simply brought the goods into the country and the Government granted the import-licences after their arrival in port. This sort of procedure, of course, makes the whole process of licensing a mere formality and leaves no room for cooperation between the company and the other authorities charged with import control.

Reparations from Germany today form a considerable part of the State's income. Therefore, it would only be fitting if the Knesset, which decides on revenue and expenditure, should have a decisive voice in the manner in which Reparations are to be used. It has, in fact, the right to decide on the use of the counterpart funds, as these form part of the Development Budget. Otherwise, reparations are not subjected to Parliamentary supervision.

The State Comptroller proposes that the Knesset should adopt a bill giving the Shilumim company a status similar to that of the Development Authority. This is the only case in which a government body has been made a public authority under the auspices of the Knesset. If a bill for reparations were to be passed based on this model, the Knesset would have the possibility of a certain measure of control in the use of German reparations. To be sure, in practice such supervision by the Knesset has to a great extent remained on paper. The State Comptroller shows that in fact the Development Authority became a branch in the Treasury as it points to the need of reforms in this field. And the need to bring Reparations into the framework of general economic policy and under the supervision of the Knesset, becomes more obvious every day.

NEW AUTHORITY FOR WAKF HOLDINGS

By GIDEON WEIGERT

In the future the Government will not regard the vast urban and rural possessions of the Wakf (Moslem religious funds) as absentee holdings, the Custodian of Abandoned Property has announced. They will be transferred to a new authority, to be established shortly, which will care for their administration and the investment of their incomes in religious, social, health and other projects for the Moslem community.

The first practical new schemes projected under this policy are two rural health centres in the Little Triangle, a home for the aged in Jaffa, an orphanage in Acre, and a training course for religious officials to be attached to that town's El Jazar mosque.

In the latter years of the British mandate, Wakf funds yielded an annual income of LP.100,000, of which some 60,000 came from urban and rural rents and rates. The holdings remaining in Israel are believed to give an annual income of some IL.45,000, and a similar sum has been collected by the Ministry of Religious Affairs from Wakf religious property. These sums have been spent for the repair of mosques and cemeteries, and for the furnishing of places of worship.

As in most countries, the present trend is to exchange the vast Wakf rural estates, which yield little, for houses and other urban holdings, thus freeing large sums which may then be invested in urgently needed public Moslem institutions.

COMPANY REPORTS

THE APB Investment Company has lately become one of the main sources of long term credits and has increased its loan balance in 1953 by IL.1.69 m. to a total of IL.7.51 m. The whole of this increase, however, was financed by means put at its disposal by the Development Budget, which at the last balance amounted to IL.6.52 m. Moreover, 13 per cent of the loans outstanding were covered by full Treasury guarantees and an additional 15.2 per cent by bulk guarantees (up to 50 per cent of the sums involved). About half of the sums loaned to local authorities and to housing and settlement companies were covered by such guarantees.

Loans to 66 local authorities amounted to IL.2.54 m. (last year, IL.1.83m.), to which were added IL.1.41m. (no change as against last year) for 23 municipal water works. In view of the pressing short-term indebtedness, many local authorities were not in a position to discharge their obligations in time, and the company agreed to defer one half of the capital payments due during the financial year 1953/54. The sum deferred was IL.133,000 out of total instalments, including interest, amounting to IL.615,000. This consolidation was initiated by the Minister of Interior, and the Treasury agreed to defer sums due to it correspondingly.

The company's loans to banks, financial institutions and trading concerns totalled IL.2.28m. (IL.1.5m. a year ago), including IL. 252,000 (IL.452,000) loaned to transport cooperatives. Investments in marketable securities amounted to IL.1.35m., of which IL.878,000 were ordinary shares (IL. 706,000). The company also led in several emissions of shares and debentures during the last year (Nesher, Kurdaneh, Palestine Cold Storage).

The company's share capital rose by IL.13,100, as debenture holders began to exercise their right of converting the debentures into common stock, and applications for a further IL. 191,000 have so far been made. In addition, IL.89,000 have been switched from preference to ordinary stock. No new debentures were issued, nor are any to be expected as long as the conversion rights may be exercised (up to the end of 1954). On the other hand, "Mikhmane Ha'aretz Ltd.", owned by the company jointly with its parent, the Bank Leumi, is to be expanded into a security trust for substance value shares, which are preferred by Israel investors in view of the persistent inflationary development. At present, share capital and reserves of "Mikhmane Ha'aretz" amount to IL.518,000, with equity investments valued at market prices at IL.623,000. An issue of IL.250,000 of "B" shares is planned for the near future, which will be offered to "APB Investment" shareholders at preferential terms.

The company's profits increased with the expanded volume of activities to IL.442,000 (IL.322,000 last year), while interest paid to the Treasury and financial institutions rose only from IL.243,000 to IL. 176,000; other expenditure items did not change substantially. Net profit amounted to IL. 146,000 (IL.96,000), of which IL.66,500 were transferred to tax reserve and IL.50,000 to general reserve (IL.25,000). The capital reserve was also increased by IL.60,000, out of the various premiums and capital gains realized during the year. The dividend for ordinary shares was maintained at 8 per cent free of income tax.

The following table illustrates the company's recent development (in IL.1,000).

End of year	1950	1951	1952	1953
Ordinary sh.	186	235	300	413
Preference sh.	272	250	221	131
Reserves	85	140	195	295
Debentures	670	793	802	799
Credits	1,189	2,240	4,894	6,330
Loans and investments	2,413	4,336	5,919	7,397
Profits gross	91	217	323	442
Profits net	45	70	95	146
Dividends	7%	7.5%	8%	8%

INDUSTRY CENSUS

No marked change in the composition of industry and handicrafts is indicated by preliminary summaries of the census of industry.

The number of enterprises, as well as of employed, has risen five-fold since 1937, the census indicates. The average number of employed per producing unit is still five persons.

Altogether, industrial employees enumerated totalled 99,000. Almost a quarter of this figure registered as "owners," while "workers" numbered 61,500, the remainder being managers, technical staff and clerks.

TEL AVIV STOCK MARKET

MARCH 8.		Rise or Fall
Govt. Loans		
3% 1955 (reg.)	101	—
3% 1956 (reg.)	99½	—a)
3% 1958 (reg.)	100½	—
Pop. Loans		
1949/50 (IL.10)	103	+1
1950/75 (IL.10)	100½	+½
6½% Tavel Dollar	1463×	+3c)
3½% Tavel Dollar	1486×	+1
3% War Loan 54/69	99½	+½
3½% Govt. Bonds large	91½	+½
Pal. Reserve Bd.		
Ser. 1	72½	+½
Ser. 2	73½	—½
Ser. 3	73½	—
B. Leumi Ord. sh.	610	+6
A.F.S. Invest.		
6% Debs. 59/70	97½	—
6½% Pref. sh.	106½	+½
Ord. sh. "B"	116½	+½
Gen. Mortg. Bds.		
6% Debs. 48/68	77½	—
6% Pref. sh.	77½	—
Bisur		
6% Debs. 46/62	93½	—
6½% Debs. 52/66 reg.	76½	—
Nir Ltd.		
6% Debs. 59/70	82	—
5% Pref. sh.	69½	—a)
Fass Debs. 6% 42/62	73	—
F.I.D.C. Ord. sh. reg.	177	+½
6% Debs.	94½	—½
Afr. Pal. Inv. Ord. sh.	127½	+½
Rassco		
6% Debs 56/62	70½	—
6% Pref. Ord. sh.	95½	—
Pal. Potash 6% Pref. sh	470	+5
"A" ord. sh.	810	+10
Pal. Elec. Ord. sh. (Iss.)	521	+2
Mekorot Pref. sh.	79	—
4½ 6% "C" Pref. sh.	110½	—½
Ord. "B" sh.	153½	+½
Ord. "C" sh.	153½	+½
4-6% Con. Debs.	104½	—½
"Kurdaneh" Ord. "B" sh	161	+½
Ord. "C" sh.	180½	+½
7% Conv. Debs. 59/69	115½	—
Assia-Bej. "B" sh.	170½	—
"Tsora" Ord. sh.	101½	—
Nesher 6% Debs. Ser. A	123	—
6% Debs. Ser. B	149	—
Pal. Cold St. 7% Debs.	149½	+½
Ledziin 4½% Pref. sh.	70	+1c)
S.A. Binyan Ord. sh.	89	—b)
Pal. Contr. Tr. pref. sh	91	—

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-right; x) prutot per one Dollar

NEW PAY SCALE FOR PHYSICIANS

AN increased scale of pay for physicians has been adopted by the Central Committee of the Medical Association in Israel and has been put before the Ministry of Health and the public medical institutions. According to the new scale, the basic salary is to start at IL.140 for a general practitioner (the present Government scale is IL.123), and at IL.170 for a medical assistant (IL.138). House visits are to be paid at IL.2.500 during the day, IL.3.500 during the evening and IL.5 at night and on Saturdays. After 15 years of service, a medical assistant in an ambulatorium, after deduction of income tax would receive a net pay of about IL.360, which the Medical Association regards as a bare minimum.

The Week at the Stock Exchange

DEMAND FOR LINKED SHARES

Tel Aviv

THE demand for dollar-and sterling-linked securities increased during the past week. It appears that the exchange of views concerning a hedge against further devaluation of the Israel currency to be included in terms of long-term loans may be considered one of the reasons for this demand. Some of these securities have reached their previous highest points, others have even surpassed them, reaching even higher levels. Palestine Potash ordinary shares this time were in the lead and improved by 49 points, while the preference shares advanced by 25 points, closing at 310% and 470% respectively; however, there being no sufficient offer, they were marked "buyers only." Palestine Electric shares, London Register improved by 25 points, thus having advanced 17 points, came back to a previous point of 521%, while the London Register remained unchanged at 649%. Jerusalem Electric shares, on the other hand, lost 18 points during the week, but afterwards recovered by 13 points. Tavel Dollar increased by 33 pruta cum coupons and 39 pruta ex coupons, closing at IL.1.483 and IL.1.494 respectively.

The greatest advance of the week was that of Bank Leumi shares, their price increasing by 45 points. Here, also because of lack of offer, no business was transacted and the prices have mainly registered "buyers only." The demand for Bank Leumi shares is probably connected with the announcement of the final dividend amounting to 6½% in addition to 6% interim dividend already paid, as well as a bonus shares distribution in the ratio of 1 bonus share for 4 old shares which will be recommended to the next General Meeting.

In other sections of the stock market, business was rather quiet, with a number of securities losing some ground. The exceptions here were the Pal. Cold Storage debentures and Nesher "B" debentures, the first increasing during the week by 6 points and the latter by 3 points. The Bank Leumi Le-Israel Trust Co., as trustees for the Nesher debentures issue, called a general meeting of the "B" debenture holders in order to decide what steps should be taken in the dispute concerning the excise payment for cement receivable on the strength of "B" debenture coupons. The meeting will take place this afternoon.

London

The London stock exchange recovered partly from a slight set-back, and the week finished in a firmer tone. After the market shook off the effects of the recent hesitancy, more active conditions set in. Gains were widespread. Reuters Daily Index for industrials was 157.5 as against 158.6 last week.

New York

Wall Street closed on new high levels. The firmness of Treasury bonds combined with the improvement in the industrial area, and the outlook for favourable earnings helped the market. Dow-Jones Averages for 30 industrials were 299.45 as against 289.54.

Gold

Relaxation of international tension and large-scale Russian gold sales in Western Europe caused the drop in the price of gold on the Paris free market to frs.420,000 per kilo, the lowest mark since the free market went into operation in 1947. Later, however, a large amount of bear covering reversed the downward trend, and some gains were registered.

Commodities

The strength of tin was the feature of dealings on the London metal exchange, while copper and lead improved slightly. Cocoa prices eased, and rubber sagged. Reuters UK Commodity Index was 488.9 as against 489.3 last week. In New York, commodity prices were easier. The Dow-Jones Spot Commodity Index was 183.13 as against 185.02.

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Yuval Gad Output Assured

Jerusalem Post Reporter

THE Yuval Gad cement pipe factory in Migdal Ascalon will continue operating this year as in 1953 with 550 workers, 340 of whom are now engaged on the production of 66-inch pipes for the "Yarkon project" drawing 75 million cubic metres of water from the Yarkon River to the Negev. For a while, it was not known whether the project is to be continued and the workers producing the 66-inch pipes faced dismissal, but according to Mr. Itzhak Wilenzuk, an engineer from Mekorot's management, though the Mekorot water company has not yet drafted its budget, its minimum programme will certainly include the continuation of the Yarkon scheme.

In addition to the 66-inch pipes, Yuval Gad is mainly engaged on the production of 48-inch pipes and by April or May it expects to start producing 20-inch and 24-inch cement pipes for the various other water projects throughout Israel.

Water is expected to be diverted from the Yarkon to the Negev at the end of next year, and 53 kilometres (half the way) have either been laid or are in the field. The point of entry is near Dorot where a power station is now being built; similar stations are being contracted in Achi Semach near Lydda, and in Rosh Ha'ain.

It is Mr. Vilenzuk's view that the water project can materialize before the sewage water running into the Yarkon River is diverted to a regional sewage net. Although some experts (including Minister of Interior Israel Rokach, — an engineer by training) claim that the water level in the Yarkon cannot be reduced without bringing the percentage of pollution to a dangerous, level. Mr. Vilenzuk holds this to be an exaggeration and announced that while his company would urge speedy construction of a sewage system, it would begin to draw the water from the river regardless.

The total quantity of water in the Yarkon is estimated at 2000 m. cubic metres per anum, and when 75 million are removed the fall in the water level, will be very marked.

Marketing: Demand for First Class Products

MARKETING of agricultural produce is meeting with increasing difficulties, for while supply is steadily growing, demand is stationary and consumers are no longer ready to buy second-rate products for their scarce money, the Tnuva Council was told by Mr. Nahum Verlinsky, the General Manager. Moreover, markets have now become very sensitive and a small excess of quantities offered often causes violent price drops.

From October to February, sales of drinking milk remained at last year's level (5.1 million litres per month), while deliveries, both of cow milk and of sheep milk, rose by 15 per cent, practically up to the level of consumption. The admixture of milk powder was, therefore, discontinued earlier (by six weeks) than in 1953, and will not be resumed at least until July, when milk yield again diminishes. Total deliveries of milk during the current agricultural year should reach 97 million litres (last year they totalled 85 million), while consumption of drinking milk may recede somewhat.

Sales of lebeniya also dropped by 20 per cent, as compared with last year, but cheeses increased by 10 per cent and butter by 25 per cent. These outlets, however, are now jeopardized by the import of cheap American products. Cream has been put on the market instead, and has proved a great success, selling at the rate of 550 tons per month (2.3 million bottles), and production of soft and processed cheeses is to be expanded. However, all milk products would absorb but 15 per cent of the total milk supply. Sheep milk is mostly used for the production of cheese, but this, too, has been hit by competing imports.

Sales of eggs increased by 29 per cent, but this figure does not include the quantities sold in the black market. The black market in poultry during the said period expanded so greatly that organized deliveries and sales dropped by 10 per cent, but things changed after a partial decontrol had been effected. In February, Tnuva sold 400 tons of poultry (as compared with 100 tons in January), of which 48 per cent went at free prices. This percentage was much higher in the private sector.

Sales of sea-fish rose by 20 per cent and of pond-fish by 13 per cent. Bananas increased by 27 per cent, to an average of 350 tons per month, but vegetable deliveries were smaller by 11 per cent than during the corresponding months last year, because farmers were disappointed with last summer's prices. The main exception were potatoes, which were stored from the autumn crop.

Exports of agricultural products by Tnuva up to the end of February comprised 800 tons of bananas, 1.2m. eggs, 60 tons of honey, 180 tons of groundnuts and smaller quantities of tomatoes. In the coming months it is hoped that 700-800 additional tons of bananas will be exported as well as substantial quantities of carrots, tomatoes, melons and onions. The export of flowers is also developing satisfactorily.

Rising Gold Reserves Outside U.S.A.

● **Prospects for reducing trade barriers** in the free world have been heightened by the steady increase in gold and dollar reserves outside the U.S.A., the Federal Reserve Bank of New York said in its monthly review.

Gold and dollar holdings of foreign countries rose by $3.4 billion last year to a post-war high of $28.4 billion. Much of the rise occurred in the second half of 1953. Most gains were registered by Western European and sterling area countries. The United States sold a net total of $1,168b. in gold. At the end of 1953, it held 60 per cent of all world gold reserves, exclusive of Russia, compared with 70 per cent at the time of the currency devaluations in September, 1949.

The bank said that this development has "improved the prospects" for eventual convertibility of major currencies, but it warned that gold and dollar holdings of many countries still provide "only a narrow margin of safety to meet possible contingencies," and added that further advance towards free trade depended on "non-inflationary domestic policy," designed to promote productivity and economic efficiency.

● **The most significant factor** behind the accumulation of gold reserves in other countries was the swing in U.S.A. foreign currency balance from a creditor to a debtor position. The U.S.A. export surplus on "current account" — including charitable remittances but excluding military aid — shrank considerably in the second half of 1953 and turned into an import surplus of $159m. in the first half of 1953 and of $374m. in the third quarter.

The "dollar gap" also disappeared temporarily in 1950, following the outbreak of the Korean War, but that balance did not last long. "At the present time the restored balance seems to rest on a firmer basis," the Bank commented.

● **The sterling area's trade surplus** with non-dollar countries will be down to £20m. in the year ending June, 1954, according to latest estimates, as compared with £246m. in the preceding year. The payments surplus with the rest of the world is expected to drop too, to little more than last year's £430m. While increase of imports is foreseen, particularly from Japan and Germany, there is no prospect for a corresponding rise of sterling exports, because of the comparatively high prices of labour and of raw materials.

Total German imports in 1953 were 16,000m. marks, about 200m. less than in the preceding year, whereas exports rose from 16,800m. to 18,800m. marks. The surplus achieved in 1953 was three-and-a-half times larger than the trade surplus of 19

● **Expenditure for military installations** by the 14 nations of NATO will reach $393 m. this year, according to a NATO Headquarters announcement. About half of this budget will be spent to complete fuel-storage facilities for air power. This includes a central European pipe-line system linking 120-odd airfields with Channel and Mediterranean ports; and storage facilities at the naval bases.

● **A new shipping service** with regular monthly sailings from the U.S. to the Middle East, the Red Sea, Pakistan and India has been established jointly by four shipping lines: Alexandria Navigation Co., Societe Misr Navigation Maritime, Britain Steamship Co. (London) and Fisser, Schiffahrt GmbH (Emden). The service will be known as "American Mideast Line" and is to operate from the Atlantic and the Gulf ports. The first sailing will be about March 20.

News in Brief From Abroad

PIA

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